DOCUMENT RESUME

ED 334 352 CE 057 470

TITLE	National Service Act. A Report Together with Minority and Additional Views. House of Representatives Committee on Education and Labor, 101st Congress, 2d Session.
INSTITUTION	Congress of the U.S., Washington, D.C. House Committee on Education and Labor.
REPORT NO	House-R-101-677-Pt-1
PUB DATE	15 Aug 90
NOTE	73p.
AVAILABLE FROM	Congressional Sales Office, Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.
PUB TYPE	Legal/Legislative/Regulatory Materials (090)
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	*Community Services; Employment Programs; *Federal Legislation; *Federal Programs; Hearings; Higher Education; Outreach Programs; *Public Service; Secondary Education; *Voluntary Agencies; Volunteers; Volunteer Training; *Youth Programs
IDENTIFIERS	Congress 101st; Proposed Legislation

ABSTRACT

This document contains the amended text of H.R. 4330, the National Service Act, a bill to establish school-based and higher education community service programs, to establish youth service programs, and to establish a model Good Samaritan food donation program, which was recommended by the Committee on Education and Labor. The document also contains a line-by-line analysis of the bill and the provisions that were amended during the hearing process and analysis of the effects that the legislation would have. Finally, the document contains minority views of the Bush Administration presented by the Secretary of Education and nine members of Congress, opposing the bill. The minority viewpoint says that the proposed legislation would create unnecessary new programs; undermine genuine, unpaid volunteer efforts; provide unneeded financial incentives; and cause unwarranted expenditures. (KC)

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ED334352

101st Congress
2d Session
HOUSE OF REPRESENTATIVES
Rept. 101-677
Part 1

NATIONAL SERVICE ACT

August 15, 1990.—Ordered to be printed

Mr. Hawkins, from the Committee on Education and Labor, submitted the following

REPORT

together with

MINORITY AND ADDITIONAL VIEWS

[To accompany H.R. 4330 which on March 21, 1990, was referred jointly to the Committee on Education and Labor, the Committee on Banking, Finance and Urban Affairs, the Committee on Foreign Affairs, and the Committee on Interior and Insular Affairs]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 4330) to establish school-based and higher education community service programs, to establish youth service programs, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment strikes out all after the enacting clause of the bill and inserts a new text as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Service Act of 1990".

TITLE I—SCHOOL-BASED AND HIGHER EDUCATION COMMUNITY SERVICE

PART A—SCHOOL-BASED COMMUNITY SERVICE

SEC. 101. SHORT TITLE.

This part may be cited as the "Schools and Service-Learning Act of 1990".

39-006

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Subpart 1—School-Based Service Learning

SEC. 106. SCHOOL-BASED SERVICE LEARNING PROGRAM.

The Secretary of Education is authorized, in accordance with the provisions of this subpart, to make grants to States through their State educational agencies for—

(1) planning and building State capacity for implementing statewide, school-based, service-learning programs, including—

(A) preservice and in-service training for teachers, supervisors, and personnel from community organizations in which service opportunities will be provided;

(B) developing service-learning curricula, including age-appropriate learning components for students to analyze and apply their service experiences;

(C) forming local partnerships to develop school-based community service programs in accordance with this subpart;

(D) devising appropriate methods for research and evaluation of the educational value of youth service opportunities and the effect of youth service programs on communities;

(E) establishing effective outreach and dissemination to ensure the broadest possible involvement of nonprofit community-based organizations and youth-service agencies with demonstrated effectiveness in their communities; and

(F) integration of service-learning into academic curricula; and

(2) the implementation, operation, or expansion of statewide, school-based, service-learning programs through State distribution of not less than 80 percent of Federal funds made available under this subpart to projects and activities coordinated and operated by local partnerships of local educational agencies and other agencies and organizations in accordance with this subpart.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENTS TO STATES.

(a) Authorization of Appropriations.—There are authorized to be appropriated for the purpose of carrying out the provisions of this subpart $35,000,000 for the fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

(b) Reservations.—Of the sums appropriated to carry out this subpart for any fiscal year, the Secretary shall reserve not more than 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(c) Allotment.—The remainder of such sums shall be allotted among the States as follows:

(1) From 50 percent of such remainder the Secretary shall allot to each State an amount which bears the same ratio to 50 percent of such remainder as the school-age population of the State bears to the school-age population of all States.

(2) From 50 percent of such remainder the Secretary shall allot to each State an amount which bears the same ratio to 50 percent of such remainder as allocations to the State for the previous fiscal year under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 bear to such allocations to all States.

(d) Limitation.—For any period during which a State is carrying out planning activities under section 106(1) prior to implementation under section 106(2), a State may be paid not more than 25 percent of its allotment under this subpart.

(e) Reallotment.—The amount of any State's allotment for any fiscal year to carry out this subpart which the Secretary determines will not be required for that fiscal year shall be available for reallotment to other States as the Secretary may determine.

(f) Definitions.—For purposes of this section:

(1) The term "school-age population" means the population aged 5 through 17, inclusive.

(2) The term "State" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 108. ASSISTANCE TO LOCAL PARTNERSHIPS.

(a) Assistance to Local Partnerships.—From the sum made available under section 107 to a State educational agency for each fiscal year, such agency shall, through grants or contracts, provide not more than the Federal share of financial assistance to local partnerships for school-based service projects (in this subpart referred to as "partnerships") for the purpose of carrying out the projects and activities authorized by this subpart.

(b) **Local Partnerships.**—

(1) Each partnership shall consist of at least 1 local educational agency and at least 1—

(A) local government agency;

(B) community-based organization;

(C) institution of higher education; or

(D) private nonprofit organization.

(2) A partnership may include representation by private for-profit business organizations and private elementary and secondary schools.

(c) **Priority.**—In providing financial assistance pursuant to this subpart, State educational agencies shall give priority consideration to proposals for projects that—

(1) are in greatest need of assistance, such as projects serving low-income areas;

(2) involve participants in the design and operation of the program, where appropriate;

(3) involve students from both public and private elementary and secondary schools and individuals of different ages, races, sexes, ethnic groups, and economic backgrounds serving together;

(4) involve adults, particularly older individuals, as mentors and in other capacities that provide significant interaction with youth performing community service in a school-based setting, including at-risk youth;

(5) involve a partnership which includes private sector employees with talents and skills in short supply in the schools; and

(6) focus on drug and alcohol abuse prevention, school drop-out prevention, or nutrition and health education.

SEC. 109. STATE APPLICATIONS.

(a) **Application Requirements.**—A State educational agency which desires to receive its allotment under this subpart shall submit to the Secretary an application at such time, in such manner, and containing such information and assurances as the Secretary may require, including—

(1) evidence of substantial cooperative efforts among local educational agencies, local government agencies, community-based organizations, the private sector, and State agencies to develop service-learning opportunities;

(2) an assurance that participation of economically and educationally disadvantaged youths, including youths in foster care who are becoming too old for foster care, youths of limited English proficiency, and youths with disabilities, will participate in service opportunities;

(3) provision for the coordination of service opportunities with other federally assisted education programs, training programs, social service programs, and other appropriate programs that serve youth;

(4) an assurance that urban, rural, and tribal areas will be served;

(5) an assurance that the State will give special consideration to providing assistance to projects that will provide academic credit to participants;

(6) an assurance that the State will keep such records and provide such information to the Secretary as may be required for fiscal audits and program evaluation; and

(7) an assurance that the State will comply with the specific requirements of this subpart.

(b) **Direct Grants.**—In any fiscal year in which a State does not participate in programs under this subpart, the Secretary may use the State's allotment to make direct grants for school-based service-learning projects to local applicants in that State.

(c) **Participation of Children and Teachers From Private Schools.**—

(1) To the extent consistent with the number of children in the State or in the school district of the local educational agency involved who are enrolled in private nonprofit elementary and secondary schools, such State or agency shall (after consultation with appropriate private school representatives) make provision—

(A) for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this subpart; and

(B) for such training for the benefit of teachers of such children as will assure equitable participation of such teachers in the purposes and benefits of this subpart.

(2) If by reason of any provision of law, a State or local educational agency or institution of higher education is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by paragraph (1), or if the Secretary determines that a State or local educational agency substantially fails or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children and teachers. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 1017 of the Elementary and Secondary Education Act of 1965.

SEC. 110. LOCAL PROGRAM PROPOSAL.

(a) PROPOSAL REQUIREMENT.—A partnership that desires to receive financial assistance pursuant to this subpart shall submit to the State educational agency of the State in which it is located a proposal which meets the requirements of this section. Such proposal shall be submitted at such time and in such manner as the State educational agency may reasonably require.

(b) PROPOSAL REQUIREMENTS.—Each proposal submitted under subsection (a) shall—

(1) contain a written agreement among the partners, including the entities with which students or school volunteers are affiliated, community representatives, and the local educational agency where service opportunities will be provided, which states that the program was developed by all the partners and that the program will be jointly operated by the partnership;

(2) provide for the establishment of an advisory committee consisting of representatives of community agencies, services recipients, youth serving agencies, students, parents, teachers, administrators, school board members, labor, and business, and describe the membership and role of such committee;

(3) describe the goals of the program, including goals that are quantifiable, measurable, and demonstrate benefits to both the students or school volunteers and the community;

(4) describe the service opportunities to be provided;

(5) describe how the students or school volunteers will be recruited, including special efforts to recruit school dropouts with the assistance of community-based organizations;

(6) describe how students or school volunteers were or will be involved in the design and operation of the program;

(7) state the responsibilities and qualifications of the coordinator of any program assisted under this subpart;

(8) describe preservice and in-service training to be provided to supervisors and students or school volunteers;

(9) describe potential resources that will permit continuation of the program, if necessary, upon the expiration of Federal funding;

(10) describe an age-appropriate learning component for students that includes, at a minimum, a chance for students to analyze and apply their service experiences and expected learning outcomes;

(11) indicate whether students will receive academic credit for participation;

(12) establish target numbers for—

(A) students who will participate in the program assisted under this subpart; and

(B) hours of service such students will provide individually and as a group;

(13) describe the proportion of students expected to participate who are educationally or economically disadvantaged, including students with disabilities;

(14) describe the ages and grade levels of students who are expected to participate;

(15) include other relevant demographic information about students who are expected to participate; and

(16) provide assurances that students will be provided with information (including information relating to student loan deferment and forgiveness provisions) concerning the Volunteers in Service to America program, the Peace Corps, full-time Youth Service Corps programs funded under this Act, and other appropriate civilian and military service options.

SEC. 111. FEDERAL SHARE.

(a) STATE SHARE.—

(1) The Federal share of the cost of planning and capacity building under section 106(1) may not exceed 90 percent of the total cost of such planning and capacity building.

(2) The State share of the cost of such planning and capacity building shall be in cash. The State share shall be provided through public or private non-Federal sources and may not be provided by any local public agency.

(b) LOCAL SHARE.—

(1) The Federal share of a grant or contract for a project under this subpart may not exceed—

(A) 90 percent of the total cost of a project for the first year for which the project receives assistance under this subpart;

(B) 80 percent of the total cost of a project for the second year for which the project receives assistance under this subpart;

(C) 70 percent of the total cost of a project for the third year for which the project receives assistance under this subpart; and

(D) 50 percent of the total cost of a project for the fourth year and each succeeding year for which the project receives assistance under this subpart.

(2) The State and local share of the costs of a project may be in cash or in kind fairly evaluated, including facilities, equipment, or services.

(c) WAIVER.—The Secretary may waive the requirements of subsection (b) with respect to any project in any fiscal year if the Secretary determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

SEC. 112. USES OF FUNDS; LIMITATIONS.

(a) STATE USES OF FUNDS.—The State educational agency may reserve, from funds made available to such agency under this subpart—

(1) not more than 5 percent of such funds for administrative costs for any fiscal year; and

(2) to build capacity through training, technical assistance, curriculum development, and coordination activities, not more than—

(A) 15 percent of such funds in the first year in which a State operates a program under this subpart;

(B) 10 percent of such funds in each of the second and third years in which a State operates a program under this subpart; and

(C) 5 percent in the fourth year and each succeeding year in which a State operates a program under this subpart.

(b) AUTHORIZED ACTIVITIES FOR LOCAL PROJECTS.—

(1) Local projects may use funds made available under this subpart for supervision of participating students, program administration, training, reasonable transportation costs, insurance, and other reasonable expenses.

(2) Funds made available under this subpart may not be used to pay any stipend, allowance, or other financial support to any participant, except reimbursement for transportation, meals, and other reasonable out-of-pocket expenses directly related to participation in a program assisted under this subpart.

Subpart 2—Youthbuild Projects

SEC. 116. STATEMENT OF PURPOSE.

It is the purpose of this subpart—

(1) to provide economically disadvantaged young adults with opportunities for meaningful service to their communities in helping to meet the housing needs of homeless individuals and low-income families; and

(2) to enable economically disadvantaged young adults to obtain the education and employment skills necessary to achieve economic self-sufficiency.

SEC. 117. AUTHORIZATION OF PROGRAM.

(a) FINANCIAL ASSISTANCE.—The Director of the ACTION Agency, in consultation with the Secretary of Labor, may provide grants to pay the Federal share of the cost of carrying out Youthbuild projects in accordance with this subpart.

(b) FEDERAL SHARE.—The Federal share under subsection (a) for each fiscal year shall not exceed 90 percent.

SEC. 118. SERVICE IN CONSTRUCTION AND REHABILITATION PROJECTS.

(a) CONSTRUCTION AND REHABILITATION PROJECTS.—Eligible participants serving in Youthbuild projects receiving assistance under this subpart shall be employed in the construction, rehabilitation, or improvement of real property to be used for purposes of providing—

(1) residential rental housing that is occupied solely by, or available for occupancy solely by, homeless individuals and low-income families;

(2) transitional housing for homeless individuals;

(3) facilities for the provision of health, education, and other social services to low-income families, including—

(A) senior citizen centers;

(B) youth recreation centers;

(C) Head Start or child care centers; and

(D) community health centers.

(b) REQUIREMENTS FOR COMMUNITY FACILITIES.—No assistance may be provided under this subpart to support the construction, rehabilitation, or improvement of real property to be used to provide facilities described in subsection (a) unless the property—

(1) is used principally by or for the benefit of low-income families;

(2) is owned and occupied solely by public or private nonprofit entities; and

(3) is located in census tracts, or identifiable neighborhoods within census tracts, in which the median family income is not more than 80 percent of the median family income of the area in which the facility is located, as such median family income and area are determined for the purposes of assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(c) RESTRICTION OF USE.—Participants under this subpart may not be employed in the construction, operation, or maintenance of any facility used for sectarian instruction or religious worship.

SEC. 119. EDUCATION AND JOB TRAINING SERVICES.

(a) IN GENERAL.—Assistance provided under this part shall be used by each Youthbuild project to provide to participants the following:

(1) SERVICE OPPORTUNITIES.—Service opportunities in the construction or rehabilitation projects described in section 118, which shall be integrated with appropriate skills training and coordinated with, to the extent feasible, preapprenticeship and apprenticeship programs.

(2) EDUCATIONAL SERVICES.—Services and activities designed to meet the educational needs of participants, including—

(A) basic skills instruction and remedial education;

(B) bilingual education for individuals with limited English proficiency; and

(C) secondary education services and activities designed to lead to the attainment of a high school diploma or its equivalent.

(3) PERSONAL AND PEER SUPPORTS.—Counseling services and other activities designed to—

(A) ensure that participants overcome personal problems that would interfere with their successful participation; and

(B) develop a strong, mutually supportive peer context in which values, goals, cultural heritage, and life skills can be explored and strengthened.

(4) LEADERSHIP DEVELOPMENT.—Opportunities to develop the decisionmaking, speaking, negotiating, and other leadership skills of participants, such as the establishment and operation of a youth council with meaningful decisionmaking authority over aspects of the project.

(5) PREPARATION FOR AND PLACEMENT IN UNSUBSIDIZED EMPLOYMENT.—Activities designed to maximize the value of participants as future employees and to prepare participants for seeking, obtaining, and retaining unsubsidized employment.

(6) NECESSARY SUPPORT SERVICES.—To provide support services and need-based stipends necessary to enable individuals to participate in the program and, for a period not to exceed 6 months after completion of training, to assist participants through support services in retaining employment.

(b) CONDITIONS.—The provision of service opportunities to participants in Youthbuild projects shall be made conditional upon attendance and participation by such individuals in the educational services and activities described in subsection (a). The duration of participation for each individual in educational services and activities shall be at least equal to the total number of hours for which a participant serves and is paid wages by a Youthbuild project.

SEC. 120. USES OF FUNDS.

(a) FUNDS.—Funds provided under this subpart may be used only for activities that are in addition to activities that would otherwise be available in the absence of such funds.

(b) ASSISTANCE CRITERIA.—Assistance provided to each Youthbuild project under this part shall be used only for—

(1) education and job training services and activities described in paragraphs (2), (3), (4), (5), and (6) of section 119(a);

(2) wages and benefits paid to participants in accordance with sections 119(a) and 122; and

(3) Administrative expenses incurred by the project, in an amount not to exceed 15 percent of the total cost of the project.

SEC. 121. ELIGIBLE PARTICIPANTS.

(a) IN GENERAL.—An individual shall be eligible to participate in a Youthbuild project receiving assistance under this subpart if such individual is—

(1) 16 to 24 years of age, inclusive;

(2) economically disadvantaged; and

(3) except as is provided in subsection (b), an individual who has dropped out of high school whose reading and mathematics skills are at or below the 8th grade level.

(b) EXCEPTIONS.—Not more than 25 percent of the participants in a Youthbuild project receiving assistance under this subpart may be individuals who do not meet the requirements of subsection (a)(3) if such individuals—

(1) have not attained a high school diploma or its equivalent; or

(2) have educational needs despite the attainment of a high school diploma or its equivalent.

(c) PARTICIPATION LIMITATION.—Any eligible individual selected for full-time participation in a Youthbuild project may participate full-time for a period of not less than 6 months and not more than 18 months.

SEC. 122. WAGES, LABOR STANDARDS, AND NONDISCRIMINATION.

(a) WAGES AND LABOR STANDARDS.—To the extent consistent with the provisions of this subpart, sections 142 and 143 of the Job Training Partnership Act (29 U.S.C. 1552, 1553, and 1577), relating to wages and benefits and labor standards, shall apply to the projects conducted under this subpart as if such projects were conducted under the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(b) NONDISCRIMINATION.—(1) Except as provided in paragraph (2), an individual with responsibility for the operation of a Youthbuild project shall not discriminate on the basis of religion against a participant or a member of the project staff who is paid with funds under this title.

(2) Paragraph (1) shall not apply to the employment, with funds provided under this title, of any member of the staff of a Youthbuild project who was employed with the organization operating the project on the date the grant funded under this title was awarded.

SEC. 123. CONTRACTS.

Each Youthbuild project shall carry out the services and activities under this subpart directly or through arrangements or under contracts with administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act (29 U.S.C. 1501(b)(1)(B)), with State and local educational agencies, institutions of higher education, State and local housing development agencies, and with other public agencies and private organizations.

SEC. 124. PERFORMANCE STANDARDS.

(a) IN GENERAL.—The Director, in consultation with the Secretary of Labor, shall prescribe standards for evaluating the performance of Youthbuild projects receiving assistance under this subpart, including the following factors:

(1) Placement in unsubsidized employment.

(2) Retention in unsubsidized employment.

(3) An increase in earnings.

(4) Improvement of reading and other basic skills.

(5) Attainment of a high school diploma or its equivalent.

(b) VARIATIONS.—The Director shall prescribe variations to the standards determined under subsection (a) by taking into account the economic conditions of the areas in which Youthbuild projects are located and appropriate special characteristics, such as the extent of English language proficiency and offender status of Youthbuild participants.

SEC. 125. APPLICATIONS.

(a) Submission.—To apply for a grant under this subpart, an eligible entity shall submit an application to the Director in accordance with procedures established by the Director.

(b) Criteria.—Each such application shall—

(1) describe the educational services, job training, supportive services, service opportunities, and other services and activities that will be provided to participants;

(2) describe the proposed construction of rehabilitation activities to be undertaken and the anticipated schedule for carrying out such activities;

(3) describe the manner in which eligible youths will be recruited and selected, including a description of arrangements which will be made with community-based organizations, State and local educational agencies, public assistance agencies, the courts of jurisdiction for status and youth offenders, homeless shelters and other agencies that serve homeless youth, foster care agencies, and other appropriate public and private agencies;

(4) describe the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children);

(5) describe how the proposed project will be coordinated with other Federal, State, and local activities, including vocational, adult and bilingual education programs, job training supported by funds available under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) and the Family Support Act of 1988, housing and economic development, and programs that receive assistance under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306);

(6) provide assurances that there will be a sufficient number of supervisory personnel on the project and that the supervisory personnel are trained in the skills needed to carry out the project;

(7) describe activities that will be undertaken to develop the leadership skills of participants;

(8) set forth a detailed budget and describe the system of fiscal controls and auditing and accountability procedures that will be used to ensure fiscal soundness; and

(9) set forth assurances, arrangements, and conditions the Director determines are necessary to carry out this subpart.

SEC. 126. SELECTION OF PROJECTS.

In approving applications for assistance under this subpart, the Director shall give priority to applicants that demonstrate the following:

(1) Potential for success.—The greatest likelihood of success, as indicated by such factors as the past experience of an applicant with housing rehabilitation or construction, youth and youth education and employment training programs, management capacity, fiscal reliability, and community support.

(2) Need.—Have the greatest need for assistance, as determined by factors such as—

(A) the degree of economic distress of the community from which participants would be recruited, including—

(i) the extent of poverty;

(ii) the extent of youth unemployment; and

(iii) the number of individuals who have dropped out of high school; and

(B) the degree of economic distress of the locality in which the housing would be rehabilitated or constructed, including—

(i) objective measures of the incidence of homelessness;

(ii) the relation between the supply of affordable housing for low-income families and the number of such families in the locality;

(iii) the extent of housing overcrowding; and

(iv) the extent of poverty.

SEC. 127. MANAGEMENT AND TECHNICAL ASSISTANCE.

(a) Director Assistance.—The Director may enter into contracts with a qualified public or private nonprofit agency to provide assistance to the Director in the management, supervision, and coordination of Youthbuild projects receiving assistance under this subpart.

(b) Sponsor Assistance.—The Director shall enter into contracts with a qualified public or private nonprofit agency to provide appropriate training, information, and technical assistance to sponsors of projects assisted under this subpart.

(c) Application Preparation.—Technical assistance may also be provided in the development of project proposals and the preparation of applications for assistance under this subpart to eligible entities which intend or desire to submit such applications. Community-based organizations shall be given first priority in the provision of such assistance.

(d) Reservation of Funds.—The Director shall reserve 5 percent of the amounts available in each fiscal year under section 130 to carry out subsections (b) and (c) of this section.

SEC. 128. DEFINITIONS.

For purposes of this subpart:

(1) Community-based organizations.—The term "community-based organizations" has the meaning given the term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(2) Director.—The term "Director" means the Director of the ACTION agency.

(3) Dropped out of high school.—The term "individual who has dropped out of high school" means an individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a certificate of equivalency for such diploma, but does not include any individual who has attended secondary school at any time during the preceding 6 months.

(4) Economically disadvantaged.—The term "economically disadvantaged" has the meaning given the term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(5) Eligible entity.—The term "eligible entity" means a public or private nonprofit agency, such as—

(A) community-based organizations;

(B) administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act (29 U.S.C. 1501(b)(1)(B));

(C) community action agencies;

(D) State and local housing development agencies;

(E) State and local youth service and conservation corps; and

(F) any other entity that is eligible to provide education and employment training under other Federal employment training programs.

(6) Homeless individual.—The term "homeless individual" has the meaning given the term in section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

(7) Housing development agency.—The term "housing development agency" means any agency of a State or local government, or any private nonprofit organization that is engaged in providing housing for the homeless or low-income families.

(8) Institution of higher education.—The term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(9) Limited English proficiency.—The term "limited English proficiency" has the meaning given the term in section 7003 of the Bilingual Education Act (20 U.S.C. 3223).

(10) Low-income family.—The term "low-income family" has the meaning given the term "lower income families" in section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

(11) Offender.—The term "offender" means any adult or juvenile with a record of arrest or conviction for a criminal offense.

(12) Qualified nonprofit agency.—The term "qualified public or private nonprofit agency" means any nonprofit agency that has significant prior experience in the operation of projects similar to the Youthbuild program authorized under this subpart and that has the capacity to provide effective technical assistance under this section.

(13) Residential rental purposes.—The term "residential rental purposes" includes a cooperative or mutual housing facility that has a resale structure that enables the cooperative to maintain affordability for low-income individuals and families.

(14) Service opportunity.—The term "service opportunity" means the opportunity to perform work in return for wages and benefits in the construction or rehabilitation of real property in accordance with this subpart.

(15) State.—The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the North-

ern Mariana Islands, the Virgin Islands, Guam, American Samoa, the Trust Territories of the Pacific Islands, or any other territory or possession of the United States.

(16) Transitional housing.—The term "transitional housing" means a project that has as its purpose facilitating the movement of homeless individuals and families to independent living within a reasonable amount of time. Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

(17) Youthbuild project.—The term "Youthbuild project" means any project that receives assistance under this subpart and provides disadvantaged youth with opportunities for service, education, and training in the construction or rehabilitation of housing for homeless and other low-income individuals.

SEC. 129. REGULATIONS.

The Secretary shall issue any regulations necessary to carry out this subpart.

SEC. 130. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out the provisions of this subpart $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the 3 succeeding fiscal years. Amounts appropriated under this section shall remain available until expended.

Subpart 3—Other Federal Volunteer Service Programs

SEC. 131. RURAL YOUTH SERVICE DEMONSTRATION PROJECT.

(a) In General.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants and enter into contracts for demonstration projects in rural areas. Such projects may include volunteer service involving the elderly and assisted-living services performed by students, school dropouts, and out-of-school youth.

(b) Authorization of Appropriations.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 132. GOVERNORS' VOLUNTARY SERVICE PROGRAM.

(a) In General.—The Director of the ACTION agency (in this section referred to as the "Director") is authorized to make grants to the chief executive officer of each State for initiatives involving non-school-based voluntary service projects in the State.

(b) Authorized Activities.—Grants under this section may be used for—

(1) enhancing State volunteer service programs;

(2) volunteer service demonstration programs;

(3) research concerning, assessment of, and evaluation of volunteer service programs;

(4) State coordination of volunteer service programs;

(5) technical assistance;

(6) training and staff development; and

(7) collection and dissemination of information concerning volunteer service programs.

(c) Authorization of Appropriations.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $3,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994.

(d) Allotments.—

(1) Subject to paragraph (2), the Director shall allot to the chief executive officer of each State an amount which bears the same ratio to the amount appropriated under subsection (b) as the school-age population of the State bears to the school-age population of all States.

(2) Subject to the availability of appropriations, the chief executive officer of each State shall receive at least $30,000 for each fiscal year for purposes of carrying out an initiative under this section.

(e) Definition.—For purposes of this section the term "State" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 133. MODEL SERVICE-LEARNING PROGRAM.

(a) Program Authorized.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to, and enter into contracts with, States, local educational agencies, local government agencies, and community-based organizations for innovative community service and service-learning programs and curricula that can serve as national models.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $5,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 134. MODEL SERVICE PROGRAMS FOR DROPOUTS AND OUT-OF-SCHOOL YOUTH.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, local government agencies, community-based organizations, and other public or private nonprofit organizations to develop plans for model programs to enhance the capacity of educational institutions and community-based organizations to administer service-learning programs for school dropouts and out-of-school youth.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $10,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 135. ASSISTANCE FOR HEAD START.

Section 502(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5082(b)) is amended—

(1) by inserting "(1)" after "(b)", and

(2) by adding at the end the following:

"(2) There are authorized to be appropriated $5,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three subsequent fiscal years for the purpose of increasing the number of low-income individuals who provide services under part B of title II of this Act to children who participate in Head Start programs.".

Subpart 4—Activities of the Secretary of Education

SEC. 141. DISSEMINATION OF INFORMATION.

The Secretary shall widely disseminate information about programs under this part.

SEC. 142. CLEARINGHOUSES ON VOLUNTEER SERVICE.

(a) IN GENERAL.—The Secretary is authorized to make grants to or enter into contracts with public and private nonprofit agencies with extensive experience in student community service and school volunteer and partnership programs for the establishment and operation of national or regional clearinghouses for information on volunteer service.

(b) DUTIES.—National or regional clearinghouses established or operated with assistance provided under this section shall provide information, curriculum materials, technical assistance, and training to States and local entities participating in programs under subpart 1.

SEC. 143. EVALUATION.

(a) EVALUATION.—The Secretary shall provide, through grants or contracts, for the continuing evaluation of programs assisted under this part in order to determine program effectiveness in achieving stated goals in general and in relation to cost, the effect on related cost-saving programs, and the structure and mechanism for delivery. Such evaluation shall measure the effects of programs authorized by this part, including, where appropriate, comparisons with appropriate control groups composed of individuals who have not participated in such programs. Evaluations shall be conducted by individuals not directly involved in the administration of the program evaluated.

(b) STANDARDS.—The Secretary shall develop and publish general standards for evaluation of program effectiveness in achieving the objectives of this part.

(c) COMMUNITY PARTICIPATION.—In evaluating a program receiving assistance under this part, the Secretary shall consider the opinions of participating students, dropouts, out-of-school youth, and members of the communities where services are delivered concerning the strengths and weaknesses of such program.

(d) REPORTING REQUIREMENTS.—The results of evaluations conducted under this section, including opinions obtained under subsection (c), shall be made available to the public.

(e) REPORT TO CONGRESS.—The results of evaluations conducted under this section shall be analyzed and submitted to the appropriate committees of the Congress with the annual report of the Secretary.

SEC. 144. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for purposes of carrying out the provisions of this subpart $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

Subpart 5—Volunteer Service Activities of the President

SEC. 151. PRESIDENTIAL VOLUNTEER SERVICE AWARDS.

(a) PRESIDENTIAL AWARD FOR SCHOOL-BASED SERVICE.—The President is authorized to make Presidential Awards for School-Based Service recognizing excellence in school-based service programs.

(b) CATEGORIES OF AWARDS.—Each year the President is authorized to make 1 award to an individual in each State in each of the following categories:

(1) Excellence in a service program in kindergarten through grade 6.

(2) Excellence in a service program in grade 7 through grade 12.

(3) Excellence in a service program for dropouts and out-of-school youth.

(4) Excellence in teaching to a teacher in kindergarten through grade 6 who has demonstrated outstanding teaching ability in the area of volunteer service.

(5) Excellence in teaching to a teacher in grade 7 through grade 12 who has demonstrated outstanding teaching ability in the area of volunteer service.

(6) Excellence in teaching to a teacher in a service program for dropouts and out-of-school youth who has demonstrated outstanding teaching ability in the area of volunteer service.

(c) PRESIDENT'S SERVICE LEARNING TASK FORCE.—The President is authorized to create an interagency task force chaired either by the President or the Vice President, whose purpose shall be—

(1) the creation and monitoring of effective measures for coordinating the various parts of this Act; and

(2) design of a comprehensive Federal service strategy which shall include—

(A) review of existing programs to identify and expand opportunities for service, especially by students and out-of-school youth;

(B) designation of a senior official in each Federal agency who will be responsible for developing youth service opportunities in existing programs nationwide;

(C) establishment of service projects in each Federal agency;

(D) encouragement of participation of Federal employees in service projects;

(E) designation of a senior executive branch official or group of officials to coordinate the Federal service strategy;

(F) annual recognition of outstanding service programs operated by Federal agencies; and

(G) encouragement of businesses and professional firms to include community service among the factors considered in making hiring, compensation, and promotion decisions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $1,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994.

Subpart 6—General Provisions

SEC. 156. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided, the terms used in this part shall have the meanings provided for such terms in section 1471 of the Elementary and Secondary Education Act of 1965.

(b) OTHER DEFINITIONS.—For purposes of this part the term "service-learning" means a method—

(1) under which students learn and develop through active participation in thoughtfully organized service experiences that meet actual community needs and that are coordinated in collaboration with the school and community;

(2) that is integrated into the students' academic curriculum and provides structured time for a student to think, talk, or write about what the student did and saw during the actual service activity;

(3) that provides students with opportunities to use newly acquired skills and knowledge in real-life situations in their own communities; and

(4) that enhances what is taught in school by extending student learning beyond the classroom and into the community and helps to foster the development of a sense of caring for others.

SEC. 157. LIMITATION.

(a) **Prohibited Uses.**—No grant under this part shall be used to provide religious instruction, conduct worship services, or engage in any form of proselytization.

(b) **Participants.**—Participants and project staff funded under this part shall not give religious instruction, conduct worship services, or engage in any form of proselytization as part of their duties.

SEC. 158. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

Except as otherwise provided, the General Education Provisions Act shall apply to the programs authorized by this part.

PART B—HIGHER EDUCATION COMMUNITY SERVICE

Subpart 1—Innovative Projects for Community Service

SEC. 161. STATEMENT OF PURPOSE.

It is the purpose of this part to support innovative projects to determine the feasibility of encouraging students to participate in community service activities while such students are attending institutions of higher education.

SEC. 162. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

(a) **General Authority.**—The Secretary is authorized, in accordance with the provisions of this part, to make grants to, and contracts with, institutions of higher education (including combination of such institutions), and other public agencies and nonprofit organizations working in partnership with institutions of higher education—

(1) to enable the institution to create or expand community service activities for students attending that institution;

(2) to encourage student-initiated and student-designed community service projects; and

(3) to facilitate the integration of community service into academic curricula, so that students can obtain credit for their community service activities.

(b) **Training Authority.**—The Secretary shall make grants to college and universities and other nonprofit organizations to provide for the training of teachers, related education personnel, and community leaders in the skills necessary to develop, supervise, and organize community service activities. Assistance under this section may be provided to individuals planning to undertake a career in teaching, as well as existing teachers. In awarding such grants, the Secretary shall take into consideration the particular needs of a community and the ability of the grantee to actively involve a major part of the community in, and substantially benefit the community by, the proposed community service activities.

(c) **Federal Share.**—The Federal share of all grants under subsections (a) and (b) shall not exceed 50 percent of the cost of the community service activities.

(d) **Authorization of Appropriations.**—There are authorized to be appropriated to carry out this subpart, $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.

(e) **Institution of Higher Education Defined.**—For purposes of this subpart, the term "institution of higher education" has the meaning given to such term in section 1201(a) of the Higher Education Act of 1965.

Subpart 2—Campus-Based Community Work Learning Jobs

SEC. 166. ADDITIONAL RESERVATION FOR CAMPUS-BASED COMMUNITY WORK LEARNING STUDY JOBS.

Section 415B(a) of the Higher Education Act of 1965 is amended by inserting the following new paragraph at the end thereof:

"(3)(A) In the event the appropriation for this subpart exceeds $75,000,000, the Secretary shall, notwithstanding the provisions of section 415C(b)(3)(A), allot 50 percent of such excess to the States for the purpose described in section 415C(b)(2)(B).

"(B) The Secretary shall make the allotment required under subparagraph (A) on the basis of the number of students participating in programs assisted under section 415C(b)(2) of this subpart in each State as compared to the total number of students participating in such jobs in all States.".

SEC. 167. WORK STUDY PROGRAMS.

Section 441(b) of the Higher Education Act of 1965 is amended—

(1) by striking "$656,000,000" and inserting "$675,000,000"; and

(2) by adding at the end thereof the following: "In the event that appropriations for this part exceed $625,000,000, such additional amounts shall be used in accordance with section 447. The Secretary shall allocate the additional amounts to institutions which demonstrate a capacity to use these funds in accordance with section 447.".

Subpart 3—Guaranteed Student Loans

SEC. 171. LOAN DEFERMENT FOR VOLUNTEER SERVICE AUTHORIZED.

(a) GSL Program.—Section 428(b)(1)(M) of the Higher Education Act of 1965 is amended—

(1) by striking "and" at the end of clause (x);

(2) by striking the period at the end of clause (ix) and inserting a semicolon; and

(3) by adding at the end thereof the following new clause:

> "(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

(b) FISL Program.—Section 427(a)(2)(C) of the Higher Education Act of 1965 is amended—

(1) by striking "or" at the end of clause (x); and

(2) by adding at the end thereof the following new clause:

> "(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

SEC. 172. LOAN DEFERMENT FOR SERVICE IN DRUG COUNSELING AND PREVENTION.

(a) Deferment of Guaranteed Student Loans.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xii) the following new clause:

> "(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; and".

(b) Insured Student Loans.—Section 427(a)(2)(C) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xii) the following new clause:

> "(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; and".

SEC. 173. LOAN DEFERMENT FOR VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.

(a) Deferment of Guaranteed Student Loans.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (as amended by sections 171 and 172 of this Act) is further amended by inserting after clause (xiii) the following new clause:

> "(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638);".

(b) Insured Student Loans.—Section 427(a)(2)(C) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xiii) the following new clause:

> "(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638);".

SEC. 174. EFFECTIVE DATE.

The amendments made by this subpart shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this Act to individuals who are new borrowers on that date.

Subpart 4—Direct Loans to Students in Institutions of Higher Education

SEC. 176. LOAN CANCELLATION AUTHORIZED.

(a) CANCELLATION FOR VOLUNTEER SERVICE.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(C) by adding at the end thereof the following new subparagraph:

"(F) as a full-time volunteer in service comparable to service referred to in subparagraph (E) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;"; and

(C) by adding at the end thereof the following new sentence: "An individual shall not be eligible as a volunteer under subparagraph (F) if such individual receives compensation for services at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938.".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 is amended—

(A) by striking out "or" at the end of clause (iii);

(B) by striking the period at the end of clause (iv) and inserting a semicolon; and

(C) by adding at the end thereof the following new clause:

"(v) in the case of service described in subparagraph (F) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service;".

(b) CANCELLATION FOR DRUG COUNSELING AND TREATMENT.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 (as amended by subsection (a)) is further amended by inserting after subparagraph (F) the following new subparagraph:

"(G) as a full-time professional employee engaged in drug counseling, prevention, intervention, treatment, or education and employed by a public or nonprofit private agency or organization; or".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 (as amended by subsection (a)) is further amended by inserting after clause (v) the following new clause:

"(vi) in the case of service described in subparagraph (F) of paragraph (2), at the rate of 15 percent for the first or second year of such service and 20 percent for the third or fourth year of such service; or".

(c) CANCELLATION FOR VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 (as amended by subsections (a) and (b)) is further amended by inserting after subparagraph (G) the following new subparagraph:

"(H) as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638).".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 (as amended by subsections (a) and (b)) is further amended by inserting after clause (vi) the following new clause:

"(vii) in the case of service described in subparagraph (H) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service.".

SEC. 177. LOAN DEFERMENT AUTHORIZED.

(a) VOLUNTEER SERVICES.—Section 464(c)(2)(A) of the Higher Education Act of 1965 is amended—

(1) by striking "or" at the end of clause (viii); and

(2) by adding at the end thereof the following new clause:

"(x) is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

(b) DRUG COUNSELING AND TREATMENT.—Section 464(c)(2)(A) of such Act (as amended by subsection (a)) is further amended by inserting after clause (x) the following new clause:

> "(xi) is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; or".

(c) VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.—Section 464(c)(2)(A) of such Act (as amended by subsections (a) and (b)) is further amended by inserting after clause (xi) the following new clause:

> "(xii) is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638).".

(d) DURATION OF DEFERMENTS.—The second sentence of section 464(c)(2)(A) of such Act is amended by striking "(v), or (vii)" and inserting "(v), (vii), (x), (xi), or (xii)".

SEC. 178. EFFECTIVE DATE.

The amendments made by sections 176 and 177 of this subpart shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this part to individuals who are new borrowers on that date.

Subpart 5—Publication

SEC. 181. INFORMATION FOR STUDENTS.

Section 485(a)(1) of the Higher Education Act of 1965 (hereafter in this part referred to as the "Act") is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by striking out the period at the end of subparagraph (K) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

> "(L) the terms and conditions under which students receiving loans under part B or E of this title, or both, may—
>
> "(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization, and
>
> "(ii) obtain partial cancellation of the student loan for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization.".

SEC. 182. EXIT COUNSELING FOR BORROWERS.

Section 485(b) of the Act is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding the following new paragraph after paragraph (2):

> "(3) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973 or for comparable full-time service as a volunteer for a tax-exempt organization.".

SEC. 183. DEPARTMENT INFORMATION ON DEFERMENTS AND CANCELLATIONS.

Section 485(d) of the Act is amended by inserting the following before the last full sentence: "The Secretary shall provide information on the specific terms and conditions under which students may obtain partial cancellation or defer repayment of loans for service under the Peace Corps Act and Domestic Volunteer Service Act of 1973 or for eligible comparable full-time service as a volunteer with a tax-exempt organization, and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization.".

Subpart 6—Student Literacy Corps

SEC. 186. AMENDMENTS TO STUDENT LITERACY CORPS PROVISIONS.

(a) PRIORITY FOR SINGLE PARENTS OF DISADVANTAGED CHILDREN.—Section 144(b)(2)(D) of the Higher Education Act of 1965 is amended by inserting before the semicolon the following: "and will give priority in providing tutoring services to illiterate parents of educationally or economically disadvantaged elementary school students, with special emphasis on single-parent households".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 146 of the Higher Education Act of 1965 is amended to read as follows:

"SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $15,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.".

Subpart 7—Student Tutorial Corps Initiative

SEC. 188. AMENDMENT.

Title I of the Higher Education Act of 1965 is further amended by adding at the end thereof the following new part:

"PART E—STUDENT TUTORIAL CORPS

"SEC. 151. PURPOSE.

"It is the purpose of this part to authorize a demonstration program to encourage college students to tutor disadvantaged students receiving services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (hereinafter in this part referred to as 'chapter 1').

"SEC. 152. GRANTS AUTHORIZED.

"The Secretary is authorized to make demonstration grants in accordance with the purposes and requirements of this part to institutions of higher education submitting applications that meet the requirements of section 153, in order to assist such institutions to establish and conduct student tutorial programs that—

"(1) encourage students enrolled in that institution to provide tutoring to educationally disadvantaged students receiving services under chapter 1;

"(2) are conducted at the request, and with the direction, of personnel providing services under chapter 1, to assist them in the education of such children; and

"(3) that do not displace any of such personnel.

"SEC. 153. APPLICATION.

"To receive a grant under this part, an institution of higher education shall submit an application that—

"(1)(A) specifies that such students will be compensated at rates consistent with the rates paid under part C of title IV of this Act; or

"(B) specifies the rate at which the student will obtain academic credit for tutorial services; and

"(2) demonstrate the active interest of the local educational agency (for the students receiving services under chapter 1) in establishing the program; and

"(3) contain or be accompanied by such other information of assurances as the Secretary may require to carry out the purposes of this part.

"SEC. 154. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.".

PART C—PEACE CORPS

SEC. 191. SHORT TITLE.

This part may be cited as the "Peace Corps Volunteer Education Demonstration Program Act".

SEC. 192. PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—The Director of the Peace Corps is authorized to carry out a training and educational benefits demonstration program in accordance with this part.

(b) Contract Authority.—The Director is authorized, either directly or by way of grant, contract, or other arrangement, to carry out the provisions of this part. The authority to enter into contracts under this part shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

SEC. 193. ELIGIBILITY.

Any individual who—

(1) has completed at least 2 years of satisfactory study at an institution of higher education, is enrolled in an educational program of at least 4 years at an institution of higher education for which such institution awards a bachelor's degree, and will complete such program within 2 years,

(2) enters into an agreement with the Director to serve at least 3 years as a volunteer in the Peace Corps, and

(3) is selected pursuant to the competitive process established under section 194,

is eligible to participate in the demonstration program authorized by this part.

SEC. 194. SELECTION PROCEDURES.

The Director of the Peace Corps shall establish uniform criteria for the selection on a competitive basis of individuals to participate in the training program established under section 195 and to receive educational benefits under section 196. The selection procedures established under this section shall give special consideration to students from groups traditionally underrepresented in the Peace Corps and to students who will specialize in courses of instruction for which there is a special need in the Peace Corps.

SEC. 195. TRAINING PROGRAM.

The Director of the Peace Corps shall establish and carry out a training program under which each individual selected under section 194, as part of the course of study which the individual is pursuing at his or her institution of higher education, receives appropriate training for the work he or she will perform in the Peace Corps.

SEC. 196. EDUCATIONAL BENEFITS.

(a) Benefits Provided.—Each individual who has been selected under section 194 shall be eligible to receive educational benefits in an amount not to exceed the costs of tuition, room and board, and books and fees, that the individual incurs in attending his or her institution of higher education during the remaining 2 years of the educational program in which the individual is enrolled.

(b) Form of Benefits.—The educational benefits provided to an individual under subsection (a) shall be in the form of grants, remissions of expenses, or such other form as the Director considers appropriate.

(c) Repayment of Benefits.—An individual provided benefits under subsection (a) shall repay the amount of the benefits so provided, plus interest—

(1) if the individual fails to complete his or her educational program within the 2-year period specified in section 193(1), or

(2) if the individual fails to serve 3 years as a volunteer in the Peace Corps upon completing his or her educational program.

The Director may waive the repayment requirement if exceptional circumstances, such as illness or death, prevent an individual from meeting such 2-year or 3-year requirement.

(d) Collection by Secretary of Education.—The Secretary of Education shall have the authority to collect amounts owed by an individual under subsection (c). The Secretary may, for the purpose of collecting such amounts, exercise the authorities conferred on the Secretary by sections 467 and 468 of the Higher Education Act of 1965 (20 U.S.C. 1087gg and 1087hh) with respect to the collection of defaulted loans under part E of title IV of that Act. Amounts collected under this subsection shall be deposited in the general fund of the Treasury.

SEC. 197. EVALUATION AND REPORT.

The Director and the Secretary of Education shall jointly conduct an evaluation of the demonstration program authorized by this part and shall prepare and submit to the President and the Congress—

(1) not later than October 31, 1993, an interim report on such evaluation, and

(2) not later than October 31, 1995, a final report on such evaluation, together with such recommendations, including recommendations for legislation, as the Director and the Secretary consider appropriate.

SEC. 198. DEFINITIONS.

As used in this part—

(1) the term "Director" means the Director of the Peace Corps, and

(2) the term "institution of higher education" has the meaning given that term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

SEC. 199. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Peace Corps to carry out this part $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each succeeding fiscal year ending before October 1, 1994. Amounts appropriated under this section are authorized to remain available until expended.

PART D—COMMUNITY ACTION AGENCIES

For purposes of this title and the amendments made by this title, the term "community-based organization" includes a community action agency.

TITLE II—TO ESTABLISH THE AMERICAN CONSERVATION AND YOUTH SERVICE CORPS

PART A—AMERICAN CONSERVATION CORPS

SEC. 201. ESTABLISHMENT.

(a) In General.—There is established the American Conservation Corps to be administered by the Secretary of Agriculture and the Secretary of the Interior (individually referred to in this Act as the "administering Secretary") under subsection (b) and through a State grant component.

(b) Federal Component.—

(1) The Secretary of the Interior and the Secretary of Agriculture shall establish the Federal component of the American Conservation Corps within their respective agencies to administer programs on Federal lands. Applications for participation in the Corps on Federal public lands shall be submitted to the administering Secretary in the manner described in part D and under regulations promulgated under subsection (e).

(2) Funds appropriated for purposes of this part to an administering Secretary shall be used to carry out projects on Federal lands and to provide for the Federal administrative costs of implementing this part.

(3) In using such funds, the Secretary of the Interior and the Secretary of Agriculture shall enter into contracts or other agreements with program agencies, local governments, and nonprofit organizations approved for participation under section 220(a).

(4) Participants shall contract with qualified existing youth corps programs in the regions or areas where Federal component activities will occur. In States where such corps programs do not exist, the Secretary shall encourage the chief executive officer of the State to establish a youth corps program. Only if a State has failed to establish a youth corps program shall the Secretary directly administer a program for the Federal component.

(c) State Component.—

(1) The Secretary of the Interior shall establish a program under which grants shall be made to States to administer the State component of the American Conservation Corps involving work on non-Federal public lands and waters within a given State. Each Governor shall designate a State program agency to administer the program within the State.

(2) If at the commencement of a fiscal year, such a program agency has not been so designated, any local government within such State may establish a program agency to carry out the State component within the political subdivision under the jurisdiction of such local government.

(3) Any program agency may apply for a grant under this title in the manner described in section 215.

(d) Local Government Participation.—

(1) Any local government program agency established under subsection (c)(2) shall be subject, in all respects, to the same requirements as a State program agency. Where more than one local government within a State has established a program agency under subsection (c)(2), the administering Secretary shall allocate funds between such agencies in such manner as the Secretary considers equitable.

(2) Any State carrying out a program under this part shall provide a mechanism under which local governments and nonprofit organizations within the State may participate in the American Conservation Corps.

(e) Regulations and Assistance.—

(1) Before the end of the 120-day period beginning on the date of the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture, after consultation with the Secretary of Labor, shall jointly promulgate regulations necessary to implement the American Conservation Corps established by subsection (a).

(2)(A) Before the end of the 30-day period beginning on the date of the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall establish procedures to give program agencies and other interested parties (including the general public) adequate notice and opportunity to comment on and participate in the formulation of such regulations.

(B) The regulations shall include provisions to assure uniform reporting on—

(i) the activities and accomplishments of American Conservation Corps programs,

(ii) the demographic characteristics of enrollees in the Corps, and

(iii) such other information as may be necessary to prepare the annual report required by section 229(a).

(f) Projects Included.—The American Conservation Corps established under subsection (a) may carry out projects such as—

(1) conservation, rehabilitation, and improvement of wildlife habitat, rangelands, parks, and recreational areas,

(2) urban revitalization and historical and cultural site preservation,

(3) fish culture and habitat maintenance and improvement and other fishery assistance,

(4) road and trail maintenance and improvement,

(5)(A) erosion, flood, drought, and storm damage assistance and controls,

(B) stream, lake, and waterfront harbor and port improvement, and

(C) wetlands protection and pollution control,

(6) insect, disease, rodent, and fire prevention and control,

(7) improvement of abandoned railroad bed and right-of-way,

(8) energy conservation projects, renewable resource enhancement, and recovery of biomass,

(9) reclamation and improvement of strip-mined land, and

(10) forestry, nursery, and cultural operations.

(g) Limitation to Public Lands.—Projects to be carried out under the American Conservation Corps shall be limited to projects on public lands or Indian lands, except where a project involving other lands will provide a documented public benefit as determined by the administering Secretary. The regulations promulgated under subsection (e) shall establish the criteria necessary to make such determinations.

(h) Consistency.—All projects carried out under this part for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with—

(1) the provisions of law and policies relating to the management and administration of such lands and all other applicable provisions of law, and

(2) all management, operational, and other plans and documents which govern the administration of the area.

(i) Participation by Other Conservation Programs.—Any land or water conservation program (or any related program) administered in any State under the authority of any Federal program is encouraged to use services available under this part to carry out its program.

SEC. 202. ALLOCATION OF AUTHORIZED FUNDS.

Of the sums appropriated under section 232(b)(1)(A) to carry out this part for any fiscal year—

(1) 50 percent shall be made available to the administering Secretary for expenditure by State program agencies which have been approved for participation in the American Conservation Corps for work on State and county lands,

(2) 15 percent shall be made available to the Secretary of Agriculture for expenditure by agencies within the Department of Agriculture, subject to section 232(d),

(3) 5 percent shall be made available to an administering Secretary, under such terms as are provided for in regulations promulgated under section 201(e), for expenditure by other Federal agencies, subject to section 232(d),

(4) 25 percent shall be made available to the Secretary of the Interior for expenditure by agencies within the Department of the Interior, subject to section 232(d), and for demonstration projects or projects of special merit carried out by any program agency or by any nonprofit organization or local government which is undertaking or proposing to undertake projects consistent with the purposes of this part, and

(5) 5 percent shall be made available to the Secretary of the Interior for expenditure by the governing bodies of participating Indian tribes.

PART B—YOUTH SERVICE CORPS

SEC. 206. YOUTH SERVICE CORPS PROJECT GRANTS.

(a) Establishment.—There is established the Youth Service Corps.

(b) Grants.—The Director of the ACTION Agency shall appoint an Assistant Director (referred to in this Act as the "Assistant Director") who shall provide, to public and private nonprofit agencies determined to be eligible under section 216, grants for Youth Service Corps projects and otherwise to administer this part.

SEC. 207. SERVICE CATEGORIES.

(a) Designation of Service Categories.—The Assistant Director shall, by regulation, designate specific activities as service categories in which persons serving in Youth Service Corps projects may serve for purposes of this part.

(b) Eligibility Requirements.—An activity may be designated as a service category under subsection (a) if the Assistant Director determines that—organizations with positions available in such activity,

(1) such activity is of substantial social benefit in meeting unmet human, social, or environmental needs (particularly needs related to poverty) of or in the community where service is to be performed,

(2) involvement of persons serving in Youth Service Corps projects under this part in such activity will not interfere unreasonably with the availability and the terms of employment of employees of sponsoring organizations, with positions, available in such activity,

(3) persons serving in Youth Service Corps projects under this part are able to meet the physical, mental, and educational qualifications that such activity requires, and

(4) such activity is otherwise appropriate for purposes of this part.

(c) Specific Eligible Service Categories.—The service categories referred to in subsection (a) may include service in—

(1) State, local, and regional governmental agencies,

(2) nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, day care centers, and schools,

(3) law enforcement agencies, and penal and probation systems,

(4) private nonprofit organizations whose principal purpose is social service,

(5) the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training benefiting educationally disadvantaged persons, weatherization of and basic repairs (including construction) to low-income housing, energy conservation, including solar energy techniques, removal of architectural barriers to access by handicapped persons to public facilities, and conservation, maintenance, or restoration of natural resources on publicly held lands, and

(6) any other nonpartisan civic activity and service that the Assistant Director determines to be appropriate for purposes of this part.

(d) Ineligible Service Categories.—The service categories referred to in subsection (a) may not include any position in any—

(1) business organized for profit,

(2) labor union,

(3) partisan political organization,

(4) organization engaged in religious activities, unless such position does not involve any religious functions, or

(5) domestic or personal service company or organization.

(e) Related Programs.—Any program administered under the authority of the Secretary of Health and Human Services, which program is operated for the same purpose as any program eligible under this part, is encouraged to use services available under this part to carry out its program.

PART C—YOUTH SKILLS ENHANCEMENT

SEC. 211. CERTIFICATION AND ACADEMIC CREDIT.

The administering Secretary or the Assistant Director (whichever the case may be) shall provide guidance and assistance to States in securing certification of training skills or academic credit for competencies developed under part A or B.

SEC. 212. TRAINING AND EDUCATION SERVICES.

(a) ASSESSMENT OF SKILLS.—Each program agency shall, through programs and projects under part A or B, maintain or enhance the educational skills of enrollees in the program. Each such agency shall assess the educational level of enrollees at the time of entrance in the program, using any available records or simplified assessment means or methodology.

(b) PROVISION OF IN-SERVICE TRAINING AND EDUCATION.—

(1) Program agencies receiving assistance under section 216 shall use not less than 10 percent of the funds available to them to provide in-service training and educational materials and services for enrollees and persons serving in programs and may enter into arrangements with academic institutions or education providers, including—

(A) local education agencies,
(B) community colleges,
(C) 4-year colleges,
(D) area vocational-technical schools, and
(E) community based organizations,

for academic study (including remediation) by enrollees and other persons serving in Youth Service Corps projects during nonworking hours to upgrade literacy skills, to obtain a high school diploma (or its equivalency) or college degrees, or to enhance employable skills. Career counseling shall be provided to enrollees and other persons serving in Youth Service Corps projects during any period of in-service training. Each graduating enrollee must be provided with counseling with respect to additional study, job skills training, or employment and shall be provided job placement assistance where appropriate.

(2) Enrollees and other persons serving in Youth Service Corps projects who have not obtained a high school diploma or its equivalent shall have priority to receive services under this subsection.

(3) Whenever possible, an enrollee seeking study or training not provided at the enrollee's assigned facility shall be offered assignment to a facility providing such study or training.

(c) POST-SERVICE EDUCATION AND TRAINING ASSISTANCE.—Any such program or project shall use not less than 10 percent of the funds available to the agency for the program or project under section 216 to provide services described in subsection (b)(1) for post-service education and training assistance. The amount of such assistance provided to any eligible individual shall be based upon the period of time such person served in a program or project under this title. The activities under this section may include activities available to eligible enrollees under in-service education and training assistance, career and vocational counseling, assistance in entering a program under the Job Training Partnership Act, and other activities deemed appropriate for the enrollee by the program agency and the advisory board.

(d) STANDARDS AND PROCEDURES.—Appropriate State and local officials shall certify that standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under subsection (b) are consistent with the requirements of applicable State and local law and regulations. Such standards and procedures shall specify, among other things, that any person serving in a program or project under this title—

(1) who is not a high school graduate, shall participate in an educational component whereby such person can progress toward a high school diploma or its equivalent, and

(2) may arrange to receive academic credit in recognition of learning and skills obtained from service satisfactorily completed.

PART D—ADMINISTRATIVE PROVISIONS

SEC. 216. GRANTS.

(a) AWARD OF GRANTS.—Within 60 days after the date of the enactment of appropriations under section 232, any eligible entity may apply to the administering Secretary or the Assistant Director (whichever the case may be) for funds under this title in the manner specified under part A or part B. In determining the amount of funds to be awarded to any such applicant, the administering Secretary or the Assistant Director (whichever the case may be) shall consider each of the following factors:

(1) The proportion of the unemployed youth population of area to be served.

(2)(A) In the case of part A, the conservation, rehabilitation, and improvement needs on public lands within the State, and

(B) In the case of part B, unmet human, social, or environmental needs (particularly needs related to poverty) within the area to be served.

(b) Matching Requirement.—

(1) As a condition on the award of a grant under subsection (a), a State or program agency shall demonstrate to the satisfaction of the administering Secretary or the Assistant Director (whichever the case may be) that it will expend (in cash or in kind), for purposes of any American Conservation Corps or Youth Service Corps project funded under this Act, an amount from public or private non-Federal sources (including the direct cost of employment or training services provided by State or local programs, private nonprofit organizations, and private for-profit employers) equal to the amount made available to such State or agency under this title.

(2) In addition to such matching requirement, the State or program agency shall demonstrate to the satisfaction of the administering Secretary or the Assistant Director (whichever the case may be) that the effectiveness of the project will be enhanced by the use of Federal funds.

(c) Payment Terms.—Payments under grants awarded under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the administering Secretary or the Assistant Director (whichever the case may be) finds necessary.

(d) Use of Funds, Limitations.—

(1) Contract authority under this title shall be subject to the availability of appropriations. Funds appropriated under section 232 shall only be used for activities which are in addition to those which would otherwise be carried out in the area in the absence of such funds.

(2) Not more than 10 percent of the Federal funds made available to any State or program agency for projects during each fiscal year may be used for the purchase of major capital equipment.

(3) Not more than 15 percent of any Federal funds made available to any State or program agency under this title may be used to cover administrative expenses. In any case in which a grant is being awarded to a specific unit of local government rather than to a State, the State may not use more than 3 percent of the grant to cover administrative expenses. The remainder of the grant shall be transferred to the relevant unit of local government.

(4) Not more than 5 percent of any Federal funds provided under this title may be used for part-time service or conservation programs. For purposes of this paragraph the term "part-time" means unpaid service of not more than 15 hours per week.

(5) Not more than 1 percent of any Federal funds provided under this title may be used for joint programs with organized senior citizen programs for community support services.

SEC. 217. APPROVAL OF APPLICATIONS AND SUPERVISION OF PROGRAMS.

(a) Application.—

(1) In order to be eligible for any grant under section 216, an applying entity shall submit, in accordance with subsection (c), a plan that describes the existing or proposed program or project for which such grant is requested.

(2) Any entity which is eligible to provide employment and educational training under other Federal employment training programs may apply for a grant under section 216.

(b) Contents of Plan for Eligibility for Grants.—The plan referred to in subsection (a) shall include the following:

(1)(A) A comprehensive description of the objectives and performance goals for the program, (B) a plan for managing and funding the program, and (C) a description of the types of projects to be carried out, including a description of the types and duration of training and work experience to be provided.

(2) A plan for certification of the training skills acquired by enrollees and award of academic credit to enrollees for competencies developed from training programs or work experience obtained under this title.

(3) An estimate of the number of enrollees and crew leaders necessary for the proposed projects, the length of time for which the services of such personnel will be required, and the services which will be required for their support.

(4) A description of the location and types of facilities and equipment to be used in carrying out the programs.

(5) A list of positions from which any person serving in such project may choose a service position, which list shall, to the extent practicable, identify a sufficient number and variety of positions so that any person living within a program area who desires to serve in voluntary youth service may serve in a position that fulfills the needs of such person.

(6) A list of requirements to be imposed on any sponsoring organization of any person serving in a program or project under this title, including a provision that any sponsoring organization that invests in any project under this title by making a cash contribution or by providing free training of any person participating in such project shall be given preference over any sponsoring organization that does not make such an investment.

(7) With respect to the specified location and type of any facility to be used in carrying out the program, a description of—

(A) the proximity of any such facility to the work to be done,

(B) the cost and means of transportation available between any such facility and the homes of the enrollees who may be assigned to that facility,

(C) the participation of economically, socially, physically, or educationally disadvantaged youths, and

(D) the cost of establishing, maintaining, and staffing the facility.

(8)(A) A provision describing the manner of appointment of sufficient supervisory staff by the chief administrator to provide for other central elements of a youth corps, such as crew structure and a youth development component. Supervisory staff may include enrollees who have displayed exceptional leadership qualities.

(B) A provision describing a plan to assure the on-site presence of knowledgeable and competent supervision at program facilities.

(9) A description of the facilities, quarters, and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, and other appropriate services, supplies, and equipment that will be provided by the agency.

(10) A description of basic standards of work requirements, health, nutrition, sanitation, and safety, and the manner by which such standards shall be enforced.

(11) A description of the program's plan to assign youths to facilities as near to their homes as is reasonable and practicable.

(12) A description of formal social counseling arrangements to be made available to the participant during service in the American Conservation Corps or Youth Service Corps.

(13) Such other information as the administering Secretary or the Assistant Director (whichever the case may be) may prescribe.

(c) Preliminary Approval of Part A Applications.—

(1) An application for participation in the State component under part A shall first be submitted to the designated State agency for preliminary review and approval. Such agency shall forward to the appropriate State job training coordinating council, if any (established under the Job Training Partnership Act (29 U.S.C. 1502 et seq.)), for further review and comment, any application it approves. Upon the expiration of the 30-day review period referred to in subsection (e), the State agency shall submit any approved application, along with any comments by the council, to the administering Secretary.

(2) A State may submit any application for its own program under part A to the administering Secretary after complying with the review and comment requirement under subsection (e).

(3) The administering Secretary shall establish an appeals procedure (involving review and comment by the State job training council) for applying entities whose applications are disapproved under paragraph (1).

(d) Part B Applications.—An application for participation under part B may be submitted by any public or private nonprofit entity to the administering Assistant Director after review and comment under subsection (e).

(e) Review and Comment on Applications.—No application for participation under part A or part B may be submitted to the administering Secretary or the Assistant Director (whichever the case may be) before the end of the 30-day period for review and comment by such council (except in the case of an appeal).

(f) Criteria for Approval of Applications.—In approving an application under this section, the administering Secretary or the Assistant Director (whichever the case may be) shall consider the extent to which the specifics of the program or project (as described in the application) meet the goals of the program for which the grant is sought.

SEC. 218. PREFERENCE FOR CERTAIN PROJECTS.

In the approval of applications for programs and projects submitted under section 217, the Administering Secretary or the Assistant Director (whichever the case may be) shall give preference to those programs and projects which—

(1) will provide long-term benefits to the public,

(2) will instill in the enrollees a work ethic and a sense of public service,

(3) will be labor intensive, with youth operating in crews,

(4) can be planned and initiated promptly,

(5) will enhance the enrollees' educational level and opportunities, and skills development,

(6) in the case of a proposed part A project, will meet the unmet needs for conservation, rehabilitation, and improvement work on public lands within the State, and

(7) in the case of a proposed part B project, will meet human, social, and environmental needs (particularly needs related to poverty).

SEC. 219. EFFECT OF EARNINGS ON ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.

Earnings and allowances received under this title by an economically disadvantaged youth, as defined in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)), shall be disregarded in determining the eligibility of the youth's family for, and the amount of, any benefits based upon need under any program established under this title.

SEC. 220. ENROLLMENT.

(a) CRITERIA.—

(1)(A) Enrollment in the American Conservation Corps and the Youth Service Corps shall be limited to individuals who, at the time of enrollment, are—

(i) not less than 16 years or more than 25 years of age, except that programs limited to the months of June, July, and August may include individuals not less than 15 years and not more than 21 years of age at the time of their enrollment, and

(ii) citizens or nationals of the United States (including those citizens of the Northern Mariana Islands as defined in section 24(b) of the Act entitled "An Act to authorize $15,500,000 for capital improvement projects on Guam, and for other purposes.", approved December 8, 1983 (Public Law 98–213, 48 U.S.C. 1681 note), or lawful permanent resident aliens of the United States.

(B) Special efforts shall be made to recruit and enroll individuals who, at the time of enrollment, are economically disadvantaged.

(C) In addition to recruitment enrollment efforts required in subparagraph (B), the administering Secretary or the Assistant Director (whichever the case may be) shall make special efforts to recruit enrollees who are socially, physically, and educationally disadvantaged youths and also make special efforts who are participating in foster care independent living programs, who are homeless, or are otherwise disconnected from their communities.

(D) Any person who does not hold a high school diploma or its equivalent may not be accepted for service in a program or project under this Act unless such person has not been enrolled as a high school student during the 3-month period before the date of such acceptance.

(E) Notwithstanding subparagraph (A), a limited number of special corps members may be enrolled without regard to their age so that the corps may draw upon their special skills which may contribute to the attainment of the purposes of this Act.

(2) Except in the case of a program limited to the months of June, July, and August, individuals who at the time of applying for enrollment have attained 16 years of age but not attained 19 years of age, and who are no longer enrolled in any secondary school shall not be enrolled unless they give adequate written assurances, under criteria to be established by the administering Secretary or the Assistant Director (whichever the case may be), that they did not leave school for the express purpose of enrolling. The regulations promulgated under section 201(e) shall provide such criteria.

(3) The selection of enrollees to serve in the American Conservation Corps or Youth Service Corps shall be the responsibility of the chief administrator of the program agency. Enrollees shall be selected from those qualified persons who have applied to, or been recruited by, the program agency, a State employment

security service, a local school district with an employment referral service, an administrative entity under the Job Training Partnership Act (29 U.S.C. 1502 et seq.), a community or community-based nonprofit organization, the sponsor of an Indian program, or the sponsor of a migrant or seasonal agricultural worker program.

(4)(A) Except for a program limited to the months of June, July, and August, any qualified individual selected for enrollment in the American Conservation Corps or Youth Service Corps may be enrolled for a period not to exceed 24 months. When the term of enrollment does not consist of one continuous 24-month term, the total of shorter terms may not exceed 24 months.

(B) No individual may remain enrolled in the American Conservation Corps or Youth Service Corps after that individual has attained the age of 26 years, except as provided in paragraph (1)(E).

(C) No enrollee shall perform services in any project for more than a 6-month period.

(5) Within the American Conservation Corps or Youth Service Corps the directors of programs shall establish and stringently enforce standards of conduct to promote proper moral and disciplinary conditions. Enrollees who violate these standards shall be transferred to other locations, or dismissed, if it is determined that their retention in that particular program, or in the Corps, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees. Such disciplinary measures shall be subject to expeditious appeal to the administering Secretary or the Assistant Director (whichever the case may be).

(b) REQUIREMENT OF PAYMENT FOR CERTAIN SERVICES.—A reasonable portion of the costs of the rates for room and board provided at residential facilities may be deducted from amounts determined under subsection (c) and deposited into rollover funds administered by the appropriate program agency. Such deductions and rates are to be established after evaluation of costs of providing the services. The rollover funds established under this subsection shall be used solely to defray the costs of room and board for enrollees. The administering Secretary, or the Assistant Director (whichever the case may be), and the Secretary of Defense may make available to program agencies any surplus food and equipment available from Federal programs.

(c) SUBSISTENCE ALLOWANCE AND OTHER BENEFITS.—

(1) The administering Secretary or the Assistant Director (whichever the case may be), shall devise a schedule providing an aggregate amount of subsistence allowances and other benefits, including education and training benefits (such as loans, scholarships, and grants) in an amount that is equal to not less than 100 percent and not more than 160 percent of the amount such enrollee would have earned if such person had been paid at a rate equal to the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) during the period of service of such enrollee.

(2) During the period of an enrollee's service, the enrollee shall receive, from amounts determined under paragraph (1), an allowance (in cash or in kind) of not less than 50 percent and not more than 100 percent of such minimum wage, to be paid to such person during such period of service.

(3) In any case in which enrollees would perform services substantially similar to the duties and responsibilities of a regular employee employed by the employer to whom such enrollee is assigned, the program agency shall ensure that the amount determined under paragraph (1) shall be based upon a rate not less than the highest of—

(A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938,

(B) the minimum wage under the applicable State or local minimum wage law, or

(C) the prevailing rates of pay for such regular employees of the employer.

(4) For purposes of the Fair Labor Standards Act of 1938, residential youth service corps programs will be considered an organized camp.

(d) SERVICES, FACILITIES, AND SUPPLIES.—

(1) The program agency shall provide facilities, quarters, and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, and other appropriate services, supplies, and equipment.

(2)(A) The administering Secretary or the Assistant Director (whichever the case may be) may provide services, facilities, supplies, and equipment to any program agency carrying out projects under this Act.

(B) Whenever possible, the administering Secretary or the Assistant Director (whichever the case may be) shall make arrangements with the Secretary of Defense to have logistical support provided by a military installation near the work site, including the provision of temporary tent centers where needed, and other supplies and equipment.

(e) HEALTH AND SAFETY STANDARDS.—The administering Secretary or the Assistant Director (whichever the case may be), along with the program agency, shall establish standards and enforcement procedures concerning enrollee health and safety for all projects, consistent with Federal, State, and local health and safety standards.

(f) GUIDANCE AND PLACEMENT.—Program agencies shall provide such job guidance and placement information and assistance for enrollees as may be necessary. Such assistance shall be provided in coordination with appropriate State, local, and private agencies and organizations.

SEC. 221. COORDINATION AND PARTICIPATION WITH OTHER ENTITIES.

(a) AGREEMENTS.—Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the operation or management of any projects or facilities under the program.

(b) COORDINATION.—The administering Secretary or the Assistant Director (whichever the case may be) and the chief administrators of program agencies carrying out programs under this title shall coordinate the programs with related Federal, State, local, and private activities.

(c) JOINT PROJECTS INVOLVING THE DEPARTMENT OF LABOR.—The administering Secretary or the Assistant Director (whichever the case may be) may develop, jointly with the Secretary of Labor, regulations designed to allow, where appropriate, joint projects in which activities supported by funds authorized under this title are coordinated with activities supported by funds authorized under employment and training statutes administered by the Department of Labor (including the Job Training Partnership Act (29 U.S.C. 1502 et seq.)). Such regulations shall provide standards for approval of joint projects which meet both the purposes of this title and the purposes of such employment and training statutes under which funds are available to support the activities proposed for approval. Such regulations shall also establish a single mechanism for approval of joint projects developed at the State or local level.

SEC. 222. AMERICAN CONSERVATION CORPS AND YOUTH SERVICE CORPS STATE ADVISORY BOARDS.

(a) ESTABLISHMENT.—Upon the approval of a project within a State, the State job training coordinating council within the State shall appoint an advisory board for the purpose of conducting regular oversight and review of projects of the American Conservation Corps and the Youth Service Corps within the State. In particular, the advisory board shall certify that the project satisfies the requirements and limitations under this title, including limitations respecting the displacement of existing employees and the types of projects and responsibilities appropriate for enrollees in the American Conservation Corps and the Youth Service Corps. Members of the advisory board shall also provide guidance and assistance for the development and administration of projects.

(b) COMPOSITION.—(1) Each advisory board shall be composed of not less than 7 individuals, of whom—

(A) 2 individuals who are representatives of organized labor (one of each representing the State and local levels), and

(B) 5 individuals, one of each of whom is a representative of the business community, community based organizations, State government (or an appropriate State agency), local elected office, and State or local school administration.

(2) If more than 7 individuals are appointed to an advisory board, the representation required by paragraph (1) shall be met, to the extent practicable.

(c) ANNUAL MEETINGS.—Each advisory board shall meet not less often than twice annually.

SEC. 223. FEDERAL AND STATE EMPLOYEE STATUS.

Enrollees, crew leaders, and volunteers are deemed as being responsible to, or the responsibility of, the program agency administering the project on which they work. Except as otherwise specifically provided in the following paragraphs, enrollees and crew leaders in projects for which funds have been authorized under section 232 shall not be deemed Federal employees and should not be subject to the provisions of law relating to Federal employment:

(1) For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, enrollees and crew leaders serving American Conservation and Youth Service Corps program agencies shall be deemed employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provision of that subchapter shall apply, except—

(A) the term "performance of duty" shall not include any act of an enrollee or crew leader while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction and supervision of a program agency (including an activity while on pass or during travel to or from such post of duty), and

(B) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee's or crew leader's employment is terminated.

(2) For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, enrollees and crew leaders on American Conservation Corps and Youth Service Corps projects shall be deemed employees of the United States within the meaning of the term "employee of the Government" as defined in section 2671 of such title.

(3) For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, enrollees and crew leaders shall be deemed employees of the United States within the meaning of the term "employee" as defined in that section.

SEC. 224. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) In General.—

(1) Suspension of payments.—The Secretaries of Interior and Agriculture (in the case of a program funded under part A) or the Director of the ACTION Agency (in the case of a program funded under part B), is authorized, in accordance with this title, to suspend payments or to terminate payments under a contract or grant providing assistance under this title whenever the Secretary or Director determines there is a material failure to comply with this title or the applicable terms and conditions of any such grant or contract issued pursuant to this title.

(2) Procedures to ensure assistance.—The Secretary or Director shall prescribe procedures to ensure that—

(A) assistance under this title shall not be suspended for failure to comply with the applicable terms and conditions of this title, except in emergency situations for 30 days, and

(B) assistance under this title shall not be terminated for failure to comply with applicable terms and conditions of this title unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) Hearings.—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to such recipient.

(c) Transcript or Recording.—A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) State Legislation.—Nothing in this title shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with the provisions of this title, of the programs administered under this title.

(e) Grievance Procedure.—

(1) In general.—State and local applicants funded under parts A and B shall establish and maintain a procedure for grievances from participants, labor organizations, and other interested individuals concerning projects funded under this title, including grievances regarding proposed placements of such participants.

(2) Deadline for grievances.—Except for a grievance that alleges fraud or criminal activity, a grievance shall be made within 1 year after the date of the alleged occurrence.

(3) Deadline for hearing and decision.—A hearing on any grievance shall be conducted within 30 days of filing such grievance and a decision shall be made not later than 60 days after the filing of such grievance.

(4) Arbitration.—

(A) **In general.**—On the occurrence of an adverse grievance decision, or 60 days after the filing of such grievance if no decision has been reached, the party filing the grievance shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(B) **Deadline for proceeding.**—An arbitration proceeding shall be held within 45 days after the request for such arbitration.

(C) **Deadline for decision.**—A decision on such grievance shall be made within 30 days after the date of such arbitration proceeding.

(D) **Cost.**—The cost of such arbitration proceeding shall be divided evenly between the parties.

(5) **Proposed placement.**—If a grievance is filed regarding a proposed placement of a participant in a program assisted under this title, such placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) **Remedies.**—Remedies for a grievance filed under this subsection include—

(A) suspension of payments for assistance under this title;
(B) termination of such payments; and
(C) prohibition of such placement described in paragraph (5).

SEC. 225. NONDUPLICATION AND NONDISPLACEMENT.

(a) **Nonduplication.**—

(1) **In general.**—Funds provided under this title shall be used only for an activity that does not duplicate, and is in addition to, programs and activities otherwise available in the locality.

(2) **Private nonprofit entity.**—Funds available under this title shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency that such entity resides in, unless the requirements of subsection (b) are met.

(b) **Nondisplacement.**—

(1) **In general.**—An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program established under this title.

(2) **Service opportunities.**—A service opportunity shall not be created under this title that will infringe in any manner upon the promotional opportunity of an employed individual.

(3) **Limitation on services.**—

(A) **Duplication of services.**—A participant in a program under this title shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of such employee.

(B) **Supplantation of hiring.**—A participant in any program under this title shall not perform any services or duties or engage in activities that will supplant the hiring of employed workers.

(C) **Duties formerly performed by another employee.**—A participant shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker,
(ii) employee who recently resigned or was discharged,
(iii) employee who is subject to a reduction in force,
(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick), or
(v) employee who is on strike or who is being locked out.

SEC. 226. GRIEVANCE PROCEDURE.

(a) **Complaints.**—Each program agency shall establish and maintain a grievance procedure for grievances and complaints about its projects from enrollees and labor organizations and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made not later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within 1 year after the date of the alleged occurrence.

(b) **Investigation by the Administering Secretary or the Assistant Director.**—Upon exhaustion of a grievance proceeding without decision, or where the administering Secretary or the Assistant Director (whichever the case may be) has reason to believe that the program agency is failing to comply with the requirements of this title or the terms of a project, the administering Secretary or the Assistant Director (whichever the case may be) shall investigate the allegation or belief within the complaint and determine, within 120 days after receiving the complaint, whether such allegation or belief is true.

SEC. 227. USE OF VOLUNTEERS.

Where any program agency has authority to use volunteer services in carrying out functions of the agency, such agency may use volunteer services for purposes of assisting projects carried out under this title and may expend funds made available for those purposes to the agency, including funds made available under this title, to provide for services or costs incidental to the utilization of such volunteers, including transportation, supplies, lodging, recruiting, training, and supervision. The use of volunteer services permitted by this section shall be subject to the condition that such use does not result in the displacement of any enrollee.

SEC. 228. NONDISCRIMINATION PROVISION.

(a) In General.—An individual with responsibility for the operation of a project funded under this title shall not discriminate against a youth corps member or member of the staff of such project on the basis of race, color, national origin, sex, age, disability, or political affiliation of such member.

(b) Construction Under Civil Rights Act of 1964.—For purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), any program or project for which any State is receiving assistance under this title shall be considered to be receiving Federal financial assistance.

(c) Religious Discrimination.—(1) Except as provided in paragraph (2), an individual with responsibility for the operation of a project funded under this title shall not discriminate on the basis of religion against a youth corps member or a member of the project staff who is paid with funds under this title.

(2) Paragraph (1) shall not apply to the employment, with funds provided under this title, of any member of the staff of a project funded under this title who was employed with the organization operating the project on the date the grant funded under this title was awarded.

SEC. 229. LABOR MARKET INFORMATION.

The Secretary of Labor shall make available to the administering Secretary or to the Assistant Director (whichever the case may be) and to any program agency under this title such labor market information as is appropriate for use in carrying out the purposes of this title.

SEC. 230. REVIEW AND REPORTING REQUIREMENTS.

(a) Report to the President and Congress.—The administering Secretary or the Assistant Director (whichever the case may be) shall prepare and submit to the President and to the Congress, at least annually, a report detailing the activities carried out under this title during the preceding fiscal year. Such report shall be submitted not later than December 31 of each year following the date of the enactment of the National Service Act of 1990.

(b) Oversight.—Each recipient of a grant made under section 216 shall provide oversight of service by any person in an American Conservation Corps or Youth Service Corps project under this Act, and of the operations of any employer of such person, in accordance with procedures established by the administering Secretary or the Assistant Director (whichever the case may be). Such procedures shall include fiscal control, accounting, audit, and debt collection procedures to ensure the proper disbursal of, and accounting for, funds received under this title. In order to carry out this section, each such recipient shall have access to such information concerning the operations of any sponsoring organization as the administering Secretary or the Assistant Director (whichever the case may be) determines to be appropriate.

(c) Annual Report to the Secretary.—Any recipient of a grant made under this title shall prepare and submit an annual report to the administering Secretary or the Assistant Director (whichever the case may be) on such date as the Secretary shall determine to be appropriate. Such report shall include—

(1) a description of activities conducted by program or project for which such grant was awarded during the year involved,

(2) characteristics of persons serving in such program or project,

(3) characteristics of positions held by such persons,

(4) a determination of the extent to which relevant standards, as determined by the administering Secretary or the Assistant Director (whichever the case may be), were met by such persons and their sponsoring organizations,

(5) a description of the post-service experiences, including employment and educational achievements, of persons who have served, during the year that is the subject of the report, in projects under this title, and

(6) any additional information that the administering Secretary or the Assistant Director (whichever the case may be) determines to be appropriate for purposes of this title.

(d) RESEARCH AND EVALUATION.—The administering Secretary or the Assistant Director (whichever the case may be) shall provide for research and evaluation to—

(1) determine costs and benefits, tangible and otherwise, of work performed under this title and of training and employable skills and other benefits gained by enrollees, and

(2) identify options for improving program productivity and youth benefits, which may include alternatives for—

(A) organization, subjects, sponsorship, and funding of work projects,

(B) recruitment and personnel policies,

(C) siting and functions of facilities,

(D) work and training regimes for youth of various origins and needs, and

(E) cooperative arrangements with programs, persons, and institutions not covered under this title.

(e) TECHNICAL ASSISTANCE.—Each administering Secretary or the Assistant Director (whichever the case may be) shall provide technical assistance to the States, to local governments, nonprofit entities and other entities eligible to participate under this title.

SEC. 231. AUTHORITY OF STATE LEGISLATURE.

Nothing in this title shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with this title, of the programs administered under this title.

SEC. 232. AUTHORIZATION OF APPROPRIATIONS AND OTHER FISCAL PROVISIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, $83,000,000 for fiscal year 1991 and such sums as may be necessary for each of the 3 succeeding fiscal years.

(b) FISCAL YEAR 1991.—

(1) Of amounts appropriated for fiscal year 1991—

(A) $38,000,000 shall be allocated to carry out part A (the American Conservation Corps),

(B) $28,000,000 shall be allocated to carry out part B (the Youth Service Corps),

(C) $13,000,000 shall be allocated for inservice and postservice education, and

(D) $4,000,000 shall be allocated for national and regional clearinghouses, training and technical assistance activities, provide information and model programs, and for grants.

(2) Funds appropriated under this section shall remain available until expended.

(c) LIMITATION ON APPROPRIATIONS.—Of amounts appropriated to carry out this Act, funds designated for part B shall first be made available for part A of title I of the Domestic Volunteer Service Act in an amount necessary to provide the number of service years required for authorized fiscal year under such Act.

(d) LIMITATIONS ON ADMINISTRATIVE EXPENSES.—The regulations promulgated under this title shall establish appropriate limitations on the administrative expenses incurred by Federal agencies carrying out programs under this Act, including a cost reimbursement system under which the administrative expenses are paid under this title through reimbursement.

(e) CARRYOVER.—Funds obligated for any program year may be expended by each recipient during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with the program plan.

SEC. 233. DEFINITIONS.

For purposes of this title the following terms have the following meanings:

(1) The term "crew leader" means an enrollee appointed under authority of this title for the purpose of assisting in the supervision of other enrollees engaged in work projects pursuant to this title.

(2) The term "crew supervisor" means the adult staff person responsible for supervising a crew of enrollees (including the crew leader).

(3) The term "economically disadvantaged" with respect to youths has the same meaning given such term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(4) The term "employment security service" means the agency in each of the several States with responsibility for the administration of unemployment and employment programs and the oversight of local labor conditions.

(5) The term "enrollee" means any individual who is enrolled in the American Conservation or in the Youth Service Corps in accordance with section 405.

(6) The term "Indian" means a person who is a member of an Indian tribe.

(7) The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for Indian tribes, and any real property held by Indian tribes which is subject to restrictions on alienation imposed by the United States.

(8) The term "Indian tribe" means any Indian tribe, band, nation, or other group which is recognized as an Indian tribe by the Secretary of the Interior. Such term also includes any Native village corporation, regional corporation, and Native group established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1701 et seq.).

(9) The term "public lands" means any lands or waters (or interest therein) owned or administered by the United States or by any agency or instrumentality of a State or local government.

(10) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(11) The term "displacement" includes, but is not limited to, any partial displacement through reduction of nonovertime hours, wages, or employment benefits.

(12) The term "program" means activities carried out under part A or part B.

(13) The term "administering Secretary" means for purposes of part A the Secretary of the Interior (in the case of any lands or programs involving the Department of the Interior), or the Secretary of Agriculture (in the case of lands or programs involving the Department of Agriculture).

(14) The term "program agency" means—

(A) any Federal or State agency designated to manage any program in that State, or

(B) the governing body of any Indian tribe.

(15) The term "chief administrator" means the head of any program agency.

(16) The term "applying entity" means any program agency or any nonprofit organization which applies for a grant under section 216.

(17) The term "project" means any activity (or group of activities) which result in a specific identifiable service or product that otherwise would not be done with existing funds, and which shall not duplicate the routine services or functions of the employer to whom enrollees are assigned. In any case where participant activities overlap with the routine services or functions of an employer, no participant shall work in the same project for more than 6 months.

PART E—YOUTH SERVICE CLEARINGHOUSES

SEC. 236. FUNDING.

(a) In General.—The Secretary of the Interior and the Director of the Action Agency are each authorized to provide financial assistance to 1 or more national or regional clearinghouses on youth corps and youth service.

(b) Public and Private Nonprofit Agencies.—Public and private nonprofit agencies with extensive experience in youth corps and youth service programming may apply for financial assistance under subsection (a) for clearinghouses.

(c) Function.—National and regional clearinghouses assisted under subsection (a) shall—

(1) provide information, curriculum materials, technical assistance on program planning and operation, and training to States and local entities eligible to receive funds under this title,

(2) gather and disseminate information on successful programs, components of successful programs, innovative youth skills curriculum, and projects being implemented nationwide, and

(3) make recommendations to States, local entities, and agencies on quality controls to improve program delivery and on changes in the programs under this title.

PART F—COMMUNITY ACTION AGENCIES

For purposes of this title and the amendments made by this title, the terms "community-based organization" and "nonprofit organization" include a community action agency.

TITLE III—PROPOSED MODEL GOOD SAMARITAN FOOD DONATION ACT

SEC. 301. SENSE OF CONGRESS CONCERNING ENACTMENT OF GOOD SAMARITAN FOOD DONATION ACT.

(a) In General.—It is the sense of Congress that each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States should—

(1) encourage the donation of apparently wholesome food or grocery products to nonprofit organizations for distribution to needy individuals; and

(2) consider the model Good Samaritan Food Donation Act (provided in section 302) as a means of encouraging the donation of food and grocery products.

(b) Distribution of Copies.—The Archivist of the United States shall distribute a copy of this Act to the chief executive officer of each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

SEC. 302. MODEL GOOD SAMARITAN FOOD DONATION ACT.

(a) Short Title.—This section may be cited as the "Good Samaritan Food Donation Act".

(b) Definitions.—As used in this section:

(1) Apparently fit grocery product.—The term "apparently fit grocery product" means a grocery product that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the product may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(2) Apparently wholesome food.—The term "apparently wholesome food" means food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(3) Donate.—The term "donate" means to give without requiring anything of monetary value from the recipient, except that the term shall include giving by a nonprofit organization to another nonprofit organization, notwithstanding that the donor organization has charged a nominal fee to the donee organization, if the ultimate recipient or user is not required to give anything of monetary value.

(4) Food.—The term "food" means any raw, cooked, processed, or prepared edible substance, ice, beverage, or ingredient used or intended for use in whole or in part for human consumption.

(5) Gleaner.—The term "gleaner" means a person who harvests for free distribution to the needy, or for donation to a nonprofit organization for ultimate distribution to the needy, an agricultural crop that has been donated by the owner.

(6) Grocery product.—The term "grocery product" means a nonfood grocery product, including a disposable paper or plastic product, household cleaning product, laundry detergent, cleaning product, or miscellaneous household item.

(7) Gross negligence.—The term "gross negligence" means voluntary and conscious conduct by a person with knowledge (at the time of the conduct) that the conduct is likely to be harmful to the health or well-being of another person.

(8) Intentional misconduct.—The term "intentional misconduct" means conduct by a person with knowledge (at the time of the conduct) that the conduct is harmful to the health or well-being of another person.

(9) Nonprofit organization.—The term "nonprofit organization" means an incorporated or unincorporated entity that—

(A) is operating for religious, charitable, or educational purposes; and

(B) does not provide net earnings to, or operate in any other manner that inures to the benefit of, any officer, employee, or shareholder of the entity.

(10) Person.—The term "person" means an individual, corporation, partnership, organization, association, or governmental entity, including a retail grocer,

wholesaler, hotel, motel, manufacturer, restaurant, caterer, farmer, and nonprofit food distributor or hospital. In the case of a corporation, partnership, organization, association, or governmental entity, the term includes an officer, director, partner, deacon, trustee, council member, or other elected or appointed individual responsible for the governance of the entity.

(c) Liability for Damages From Donated Food and Grocery Products.—A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals, except that this paragraph shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the donor constituting gross negligence or intentional misconduct.

(d) Collection or Gleaning of Donations.—A person who allows the collection or gleaning of donations on property owned or occupied by the person by gleaners, or paid or unpaid representatives of a nonprofit organization, for ultimate distribution to needy individuals shall not be subject to civil or criminal liability that arises due to the injury or death of the gleaner or representative, except that this paragraph shall not apply to an injury or death that results from an act or omission of the person constituting gross negligence or intentional misconduct.

(e) Partial Compliance.—If some or all of the donated food and grocery products do not meet all quality and labeling standards imposed by Federal, State, and local laws and regulations, the person or gleaner who donates the food and grocery products shall not be subject to civil or criminal liability in accordance with this section if the nonprofit organization that receives the donated food or grocery products—

(1) is informed by the donor of the distressed or defective condition of the donated food or grocery products;

(2) agrees to recondition the donated food or grocery products to comply with all the quality and labeling standards prior to distribution; and

(3) is knowledgeable of the standards to properly recondition the donated food or grocery product.

(f) Construction.—This section shall not be construed to create any liability.

SEC. 303. EFFECT OF SECTION 302.

The model Good Samaritan Food Donation Act (provided in section 302) is intended only to serve as a model law for enactment by the States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States. The enactment of section 302 shall have no force or effect in law.

I. Introduction

In reporting H.R. 4330, the Committee proposes to authorize the National Service Act of 1990.

II. Committee Action

LEGISLATIVE ACTION IN THE 100TH CONGRESS

During the 100th Congress, the Subcommittees on Employment Opportunities and Select Education held hearings on national and youth service. Five hearings were held on H.R. 460, the Voluntary National Youth Service Act, on June 30, 1987, May 11, 1988, May 18, 1988, May 24, 1988, and June 15, 1988. A hearing on H.R. 1479, the National Service Act, was held on June 30, 1987. Also, during the June 30, 1987, hearing, testimony was heard on H.R. 2225, the Universal National Service Act of 1987 and H.R. 1468, the Commission on National Service Opportunities Act of 1987.

LEGISLATIVE ACTION IN THE 101ST CONGRESS

Joint hearings on the issue of National Service were held before the Subcommittee on Elementary, Secondary, and Vocational Education; Postsecondary Education; Human Resources; Select Education; and Employment Opportunities on March 15, 1989, April 19, 1989, June 28, 1989, and May 17, 1990. The purpose of the March 15, 1989, hearing was to discuss with Members of the House who had National Service bills pending before the Committee on Education and Labor, the writing of a comprehensive National Service bill.

Members testifying at the March 15, 1989, hearing were: The Honorable Leon Panetta, Representative, California and Chairman, Budget Committee; The Honorable Dave McCurdy, Representative, Oklahoma; The Honorable David Bonior, Representative, Michigan; The Honorable Barbara B. Kennelly, Representative, Connecticut; and The Honorable Constance A. Morella, Representative, Maryland.

Three panels of witnesses testified at the April 19, 1989, hearing. Among the first panel were: Dr. Johnnetta Cole, President, Spelman College; Dr. Edward Bloustein, President, Rutgers University; Dr. Robert Corrigan, President, San Francisco State University; Dr. Steven Altman, President, Texas A&I University, and; Dr. W. Russell Todd, President, Norwich University. The second panel was comprised of: Dr. Donald Stewart, President of the College Board, and; Ms. Regina Manley, Coordinator of Post Secondary Guidance, Chicago Public Schools. The third panel was comprised of: Mr. Fred Azcarate, President, U.S. Student Association; Mr. Wayne Meisel, Campus Opportunity Outreach League; Ms. Martien Taylor, Yale University, and; Ms. Genevieve Lynch, Volunteer Action Council, University of Richmond.

Among those witnesses who testified at the June 28, 1989, hearing were: Albert Shanker, President, American Federation of Teachers; Gerald McEntee, President, American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO; John Briscoe, Director, Penn-Serve; Laura Lee Geraghty, Director, Minnesota Office on Volunteer Services; Todd Clark, Constitutional Rights Foundation from Los Angeles; Michael Jones, Graduate of Fremont High School, Los Angeles; Carol Kinsley, Springfield, Massachusetts Public School; Michele White, Springfield, Massachusetts Public School; Sandra O'Strander, Student, Springfield, Massachusetts Public School; Gail Kong, Executive Director, New York City Volunteer Corps and; Professor Ira Harkavy, Director of Community Oriented Policy Studies, University of Pennsylvania.

On March 21, 1990, Chairman Augustus F. Hawkins introduced H.R. 4330. The bill was jointly referred to the Committees on Banking, Finance and Urban Affairs; Education and Labor; Foreign Affairs; and Interior and Insular Affairs. H.R. 4330 has been cosponsored by over 130 Members of Congress.

On April 27, 1990, the Education and Labor Subcommittee on Postsecondary Education held a legislative field hearing at Brown University in Providence, Rhode Island. Testimony was presented by students, academics, interested individuals, and volunteers.

On May 17, 1990, the Committee on Education and Labor held a legislative hearing on H.R. 4330, the National Service Act of 1990. Among the witnesses testifying were: John Buchanan, Chairman, People for the American Way; Betty Castor, Commissioner, Florida State Department of Education; Dr. Michael Vaccaro, Inter-Generational Category Winner, Annual Outstanding School Volunteer Award; Visset Ngauy, Junior, Blair Science, Mathematics, Computer Science Magnet School; David Liederman, Executive Director, Child Welfare League of America; Brian Holloway, New York State Division for Youth; Dorothy Stoneman, Chairperson, Youthbuild Coalition; Ventura Santiago, Youthbuild Graduate; Robley Levy, Chair, Board of Supervisors; Robert Moore, Director, California State Office; and Raymond Burr, Actor.

The Committee met in mark-up session on H.R. 4330 on July 12, 1990, and July 19, 1990. H.R. 4330 was ordered reported, as amended, by voice vote on July 19, 1990.

During the 101st Congress the Subcommittees on Elementary, Secondary, and Vocational Education; Human Resources; Postsecondary Education; Employment Opportunities; and Select Education held hearings on the various components that were incorporated into H.R. 4330. Three hearings were held on H.R. 1000, the National Community Service Act of 1989; H.R. 717, the American Conservation and Youth Service Corps Act of 1989; H.R. 660, the Citizenship and National Service Act of 1989; and H.R. 948, the National Voluntary Service and Educational Opportunity Act of 1989, on March 15, 1989, April 19, 1989, and June 28, 1989. The Committee on Education and Labor held a legislative hearing on May 17, 1990.

On May 4, 1989, the Subcommittee on Select Education considered and marked up legislation to extend through fiscal year 1992 certain authorities contained in the Domestic Volunteer Service Act relating to national volunteer antipoverty programs. H.R. 1312, the Domestic Volunteer Service Act Amendments of 1989, ultimately became Public Law 101-204 on December 7, 1989.

On April 27, 1990, the Education and Labor Subcommittee on Postsecondary Education held a legislative field hearing in Providence, Rhode Island, on H.R. 4330, the National Service Act of 1990.

The full Committee on Education and Labor considered and marked up H.R. 4330 on July 12, 1990, and July 19, 1990, and ordered reported, as amended, the bill on July 19, 1990, by voice vote.

III. Background and Need for the Legislation

H.R. 4330 seeks to maintain and, where necessary, revive the American spirit of civilian service. While Americans have a rich history of commitment to service efforts, the availability of service opportunities has been less consistent. This bill intends to build upon existing Federal programs like VISTA, Peace Corps, Older American Volunteer Programs and the Student Literacy Corps to expand service opportunities and to increase the number of Americans who perform community service. It recognizes the large number of service efforts underway in virtually every American community and intends to nurture and expand these efforts, not smother them. The Committee believes that notwithstanding these local efforts, the Federal role defined in H.R. 4330, is appropriate.

H.R. 4330 provides ample opportunities for adults to participate in service, but it make special efforts to promote service programs for youth, including those who are at-risk or who have dropped out of school. In his call for a Points of Light Initiative, President Bush pointed to "illiterates, dropouts, drug abusers, unwed pregnant teens, delinquent or suicidal young people, AIDS victims, homeless, hungry, unemployed and lonely, millions of essentially good people [who] are enduring a walking nightmare of want and isolation" who need the help that can be provided through service programs. The Committee recognizes that service programs and volunteers also help to address society's unmet needs.

Report after report catalogues the fact that youth are among the most alienated and the most "disconnected." Service programs help to break down that sense of alienation. According to a recent report issued by the William T. Grant Commission on Work, Family and Citizenship, "the Commission believes that this sense of futility, and the consequent preoccupation with self, can be redirected into an ethic of service and commitment to others. When young people have a chance to act on their humanitarian ideals, they build self-respect and strong attachments to family and community."

Polls indicate that youth want to serve. A 1980 survey, for example, found that roughly 92% at 14- to 20-year-olds wanted to participate in improving their communities. The findings of a 1985 Gallup poll suggests that Americans act on this desire: about 89 million people, nearly one-half of all Americans 14 years or older, volunteered, including 52% of teenagers. Pollster Louis Harris corroborates the Gallup findings in a 1985 survey, concluding that the "youth population has been misnamed the self-centered generation. There is a strong desire to serve others. The problem we face in America today is not a lack of willingness to serve or to help others but to find the appropriate outlet. . . ." With 2.9 million Americans turning 18 each year, and 25 percent of them estimated to desire placement in civilian service, the need to develop well-thought-out opportunities is clear.

Community service and conservation needs are virtually limitless. As states and localities struggle to confront slow economic growth and declining revenues and to compensate for lost federal funding for social programs, shortages in service delivery are growing. A 1986 study by service experts Richard Danzig and Peter Szanton, for example, estimates that the national gap is sufficiently wide to accommodate 3.5 million youth service slots annually. The broad array of needs that volunteers address—from child care to elder care, reforestation to urban rehabilitation—suggests that Danzig and Szanton's estimate may be low.

H.R. 4330 authorizes federal funds to stimulate the development and implementation of service learning programs to encourage the concept of service and good citizenship among elementary and secondary school students. The Committee also believes there is evidence that service learning can improve student achievement in measurable ways including improved grades and attendance, and reduced instances of absenteeism and misconduct.

On January 19, 1990, Committee staff visited P.S. 38, an elementary school located in Brooklyn, N.Y., which employs a service learning curriculum developed by the College for Human Services in New York City. The Committee staff observed fifth and sixth grade classes engaged in service learning and spoke with teachers and the school's principal about the impact of the curriculum on the students. According to Mrs. Millicent Goodman, Principal of P.S. 38:

1. Attendance in classes using the College's system has been higher than overall attendance at P.S. 38. This is particularly noteworthy since attendance at the school is good to start with.
2. During the fall semester which began in September, 1989, there was no suspension of any student in classes using the College's system of education. This is a first—a landmark event. We are now well into the spring term, and behavior continues to be at a high standard.
3. The sixth and fifth grade teachers and I have observed that youngsters have become excited about learning when they must apply their learning outside the classroom. Our fifth and sixth graders do help others in the "Constructive Actions" they carry out at their internships and simultaneously describe and analyze. Doing well has become a primary goal for these students. They come to school on time. They come to school prepared. Certainly, an atmosphere has been created which is conducive to learning.
4. Students learning under the College's system are reading better and improving their arithmetic skills.
5. Teachers are enthusiastic even though working under the College's system involved additional preparation, time and work. Organizing the mandated curriculum around a purpose combined with the collaborative planning that is essential under the College's system are generating new teaching approaches and excellent student response. Teachers know what other classes are doing. Integrating the curriculum around key purposes keeps them focused and builds learning in all the classes. The system minimizes teachers' sense of isolation, since they now have ongoing opportunities to share information and support each other. Most important, through the collaboration, teachers see the results they are hoping to achieve. They see youngsters learning.
6. P.S. 38 is a community school, and the College's program is philosophically consistent with the premises upon which a community school is based. A community school engages in ongoing outreach to parents and to the community as a whole. The College's system which links learning to helping others and making a difference through improved service offers total support to the community school concept. The system has received widespread enthusiastic support from parents whose youngsters are participating. More parents are collaborating with teachers on various activities and projects. It is gratifying that the College's system is oriented towards their increased involvement.

Such programs also offer educators potential help in the fight against dropouts. For example, Pennsylvania has made community service an integral part of its dropout prevention program (The Successful Student Partnership) which now operates in 30 school districts and will soon expand to 15 more. There have been some significant gains. In Pittsburgh, 100 at-risk seventh graders participated in an intensive service program. After one year, 18 were on the honor roll.

Michael Jones is a graduate of Fremont High School's Youth Community Service (YCS), a program sponsored by the Constitutional Rights Foundation in Los Angeles, California. He told the Committee:

> I joined because I heard how YCS helps people, and, most of all, our schools and communities. In my community, kids drop out of school because things in the family go wrong. I have seen kids—even my friends—get involved with gangs and drugs. This leads nowhere, except maybe death or jail. There is no life, no future, a lifetime of suffering.
>
> YCS gave me the opportunities to learn and practice skills I do not do in my classrooms. I learned about leadership and cooperation, how to organize, plan, and run meetings, make and follow agendas, how to publicize events, recruit volunteers, being creative, and solving problems.
>
> I found out about what my community needs and how to make things happen. . . .
>
> We brought Black and Hispanic youth together. We learned about teamwork. As a group, we studied the community to find out what needed to be done. Volunteer projects I have participated in and helped start, include: Campus beautification, helping with student elections, assisting the impact in their anti-drug campaign by selling "Say No to Drugs" buttons, hosting as a speaker for the DARE Program, organizing a school-wide food drive with over 300 students donating food cans, painting out graffiti during wipe-out weekend which involved 1,000 kids throughout Los Angeles.
>
> YCS introduced me to all kinds of people from different backgrounds, religion, and color. I made friends through YCS. More schools should have community service programs so students can learn what I learned. Kids have a rough time up there. I see it daily where I live. They need programs like YCS. Schools need a lot of activities to keep kids off the streets.

Todd Clark, the Education Director of the Constitutional Rights Foundation, summed up the benefits that service provides to youth:

> Our experience as well as other research demonstrates that service programs stimulate intellectual development and academic achievement by increasing motivation, providing a learning style different from traditional school, stimulating greater retention and helping students learn high order reasoning/problem-solving skills. Youth community service programs have a powerful impact on students from all socioeconomic groups. They build self-esteem, teach leadership and organizational skills, develop a strong sense of community as well as responsibility, social bonding, and improved relationships with peers and with adults.

The Committee believes that the benefits that accrue to elementary and secondary school students also accrue to college students.

A Department of Education study, "A Review of Programs Involving College Students as Tutors or Mentors in Grades K–12", reported that "the sponsoring projects generally report that tutoring and mentoring services have positive effects on (1) the test scores, grades, and overall academic performance of disadvantaged elementary and secondary students; (2) their motivation and attitude towards education; (3) their familiarity with environments other than their own; and (4) their self-esteem and self-confidence." Sponsors also report that participation helps college students, as well. Other research on tutoring and mentoring services to disadvantaged students confirms the capacity of such programs to produce beneficial results. The expansion of the Student Literacy Corps and the creation of the Student Tutorial Corps are intended to build on these findings.

H.R. 4330 also recognizes the role the Governor can play in promoting service opportunities at the State level. According to a 1989 National Governors Association (NGA) survey, more than thirteen States have statewide policy and/or legislation supporting community service programs. Opportunities for service include school and campus-based programs; full-time conservation and youth corps; full- and part-time volunteer activities; literacy corps; senior citizens programs; and programs for youth offenders. Many State governments are actively promoting community service by training volunteers, evaluating programs, providing public recognition, collecting and disseminating program information, and providing coordination. At least twenty States have specific gubernatorial initiatives on community service.

For example, Pennsylvania has been among the leaders in developing youth and community service programs and currently invests more than $7 million directly into youth service through the Pennsylvania Conservation Corps and PennSERVE. Since 1988, PennSERVE has created 60 model school-based community service programs, launched two full-time year-round service corps in McKeesport and Pittsburgh, worked to expand the Pennsylvania Campus Compact to 28 colleges, initiated the Pennsylvania Model Literacy Corps on 13 college campuses, strengthened volunteer programs for 180,000 State employees, and collaborated with the United Way to establish the Pennsylvania Citizen Service Project. Funds authorized in the bill are intended to allow governors to continue to develop and promote innovative programs at the State level.

The need for conservation and corps programs is reflected in the 1987 report of the President's Commission on the American Outdoors: ". . . the need is acute for the type of activities which outdoor corps can offer. Recreation and conservation agencies at every level report severe staff shortages . . . outdoor corps can and do help meet these critical needs, usually at great cost savings." The California Conservation Corps, for example, typically has from six months to two years worth of backlogged project work. On the local level, the Sacramento Local Conservation Corps normally maintains up to six months worth of backlog.

Data suggest that Youth Service programs are cost-effective. A recent study of several conservation corps programs by Public/Private Ventures found that, by even the most conservative measure, these programs return to society at least as much as is spent on them. Other studies agree. The Congressional Research Service of the Library of Congress reported in 1985 that, for the federally-funded Youth Conservation Corps and Young Adult Conservation Corps, "between 1979 and 1982, the program costs were less than the appraised value of the work accomplished."

Evaluations of individual service programs are even more flattering. In Pennsylvania, for example, in the course of the past five years, more than 10,000 citizens have participated in the State's youth and conservation corps. All of them were unemployed, 52 percent were high school dropouts, and nearly 40 percent were on some form of public assistance. After serving, nearly three-quarters, 72 percent, successfully completed their assignments and have moved on to jobs or further education. As further proof of the success, for every dollar invested, the State received $1.31 in completed projects.

As impressively, the California Conservation Corps estimates a return of $1.77—and $2.82 during natural disasters.

Moreover, these analyses do not consider the substantial economic and social benefits that result from the investment in the participants. Among other considerations, these evaluations explicity exclude long term societal benefits, such as reduced welfare costs, reduced criminal activity, increased tax revenues and additional productivity. The Michigan Civilian Conservation Corps has attempted to account for these benefits and estimates that cumulative benefits to the State exceed costs by a staggering 3 to 1.

This bill seeks to lure volunteers with the opportunity to improve themselves through service. It is through this attention to self-empowerment that National Service differs from conventional job training programs. According to at-risk youth expert Justice Anthony Kline, traditional jobs programs often fail young people because they are "based on the false assumption, among others, that the lack of a conventional job skill is the major obstacle to their employment. In reality, the major obstacle for these youths is not the lack of a particular job skill, but the lack of life skills, such as basic literacy, punctuality, accountability and so on." With 100,000 men entering the Civilian Conservation Corps as functional illiterates and exiting able to read and write, service corps clearly offer a time-tested means to achieve these most basic ends.

This conslusion is echoed in a recent study on non-college bound youth, published by William T. Grant Foundation. It found that service offers "some of the most exciting opportunities available anywhere in America for learning and personal development . . . The skills and values youth learn in conservation and service corps are not only in short supply, but highly transferable to the workplace and to the community at large."

It is clear that disadvantaged youth stand to benefit more than other participants economically, in terms of their ability to increase their potential post-service wages. But, the Committee believes that service offers significant benefits to all. Studies have shown that service by in-school youth and graduates has many of the same results as for those at-risk: increased self-esteem, civic pride, and maturity.

Today, young people believe they are only asked to be consumers of goods and services. H.R. 4330 offers them opportunities to be much more. It asks that they serve themselves and their country through education and meaningful work. This bill attempts to address the unmet needs of both the server and the served.

IV. EXPLANATION OF THE BILL

It is the intent of the Committee that prohibitions on sectarian activity in the performance of program responsibilities found in Title I, Section 157 shall not be interpreted to abridge or interfere with the rights of such individuals or organizations to freedom of speech and expression.

In the interest of maintaining programs of the highest caliber, it is the intent of the Committee that directors of programs receiving funds under Title II may set and stringently enforce standards of conduct and behavior to promote proper moral and disciplinary conditions among enrollees while on the job or otherwise engaged in the performance of their duties.

Given that religious organizations have a role to play in addressing secular problems, the Committee wishes to make clear that sectarian institutions may be considered Community Based Organizations (CBO's) for purposes of this Act and may compete for funds on an equal basis with all other eligible entities.

The Committee recognizes that the country's 960 Community Action Agencies mobilize a vast and committed network of volunteers representing a broad cross-section of the local community. CAPs coordinate volunteers who are professionals in the fields of accounting, health care and teaching and their services have considerable value. Their experience in using volunteers in areas such as delivering meals to elderly individuals, distributing surplus commodities and providing emergency food and clothing to needy families will enable CAPs to effectively carry out programs authorized in this bill.

While H.R. 4330 states that youth and conservation corps enrollees must be between 16 and 25 years of age, the Committee intends that programs may choose the age range of participants they will enroll, but the range cannot go below 16 years or above 25 years of age.

The Committee expects the Secretary to limit the number of clearinghouses and to insure that they be geographically dispersed so as to provide adequate regional coverage. The Committee expects that the clearinghouses will have a demonstrated record of experience with school-based community service programs that emphasize student community service at the elementary and secondary school levels, school volunteer and partnership programs, higher education programs, the development and implementation of youth and conservation corps programs, and service programs that involve at-risk youth, as well as other relevant subjects.

V. COST OF THIS LEGISLATION

A. CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 2(l)(3)(C) of Rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974, submitted prior to the filing of this report, is set forth as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 26, 1990.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate of H.R. 4330, the National Service Act of 1990, as ordered reported by the Committee on Education and Labor on July 19, 1990.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ROBERT D. REISCHAUER,
Director.

Attachment.

1. Bill number: H.R. 4330.
2. Bill title: National Service Act of 1990.
3. Bill status: As ordered reported from the House Education and Labor Committee on July 19, 1990.
4. Bill purpose: To establish school-based and higher education community service programs, to establish youth service programs, and for other purposes.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1991	1992	1993	1994	1995
DIRECT SPENDING					
Stafford Student Loan Program:					
Estimated budget authority		(1)	(1)	(1)	(1)
Estimated outlays		(1)	(1)	(1)	(1)
AUTHORIZATIONS					
School-based service learning:					
Estimated authorization level	35	36	38	39	
Estimated outlays	4	28	36	38	34
Youthbuild projects:					
Estimated authorization level	10	10	11	11	
Estimated outlays	6	10	11	11	4
Rural youth service:					
Estimated authorization level	2	2	2	2	
Estimated outlays	1	2	2	2	1
Governors' voluntary service:					
Authorization level	3	3	3	3	
Estimated outlays	2	3	3	3	1
Model Service-Learning Program:					
Estimated authorization level	5	5	5	6	

[By fiscal years, in millions of dollars]

	1991	1992	1993	1994	1995
Estimated outlays	3	5	5	6	2
Model Service-Learning Program for dropouts and out-of-school youth:					
Estimated authorization level	10	10	11	11	....
Estimated outlays	1	8	10	11	10
Assistance for Head Start:					
Estimated authorization level	5	5	5	6	....
Estimated outlays	3	5	5	6	2
Clearinghouse on Volunteer Service:					
Estimated authorization level	2	2	2	2	....
Estimated outlays	2	2	2	2	(1)
Presidential Volunteer Service Awards:					
Authorization level	1	1	1	1	....
Estimated outlays	1	1	1	1	....
Innovative projects for community service:					
Estimated authorization level	10	10	11	11	....
Estimated outlays	1	8	10	11	10
Perkins Loan Cancellation Program:					
Estimated authorization level	....	(1)	(1)	(1)	(1)
Estimated outlays	....	(1)	(1)	(1)	(1)
Student Literacy Corps:					
Estimated authorization level	15	16	16	17	....
Estimated outlays	2	12	15	16	15
Student tutorial corps initiative:					
Estimated authorization level	10	10	11	11	....
Estimated outlays	1	8	10	11	10
Peace Corps volunteer education:					
Estimated authorization level	2	2	2	3	....
Estimated outlays	2	2	2	3	....
American Conservation Corps:					
Estimated authorization level	38	40	43	48	....
Estimated outlays	6	38	40	44	41
Youth Service Corps:					
Estimated authorization level	28	29	32	35	....
Estimated outlays	2	22	29	31	32
Youth skills enhancement:					
Estimated authorization level	13	14	15	16	....
Estimated outlays	2	13	14	15	14
Training and technical assistance:					
Estimated authorization level	4	4	5	5	....
Estimated outlays	1	4	4	5	4
Subtotal authorizations:					
Estimated authorization level	193	199	213	227	(1)
Estimated outlays	40	171	199	216	179
Bill total					
Estimated budget authority/estimated authorization level	193	199	213	227	(1)
Estimated outlays	40	171	199	216	179

(1) Less than $500,000. The costs of this bill fall in Function 500. Totals may not add because of rounding.

Basis of estimate: The assumed enactment date of this bill is October 1, 1990.

DIRECT SPENDING

Stafford Student Loan Program.—H.R. 4330 would expand the current loan deferment provisions for borrowers in the Stafford Student Loan Program (SSLP). For up to three years, borrowers employed full time in professional drug counseling, prevention, intervention, treatment, or education programs at public or nonprofit organizations would be able to defer loan repayment and continue full federal interest subsidies. The new loan deferment provision would apply only to loans to new borrowers beginning 30 days after the enactment of this bill. The authorization to make new loans to new borrowers expires at the end of 1992, however, and that authorization is not extended in this legislation. Therefore, only new student loan borrowers through 1992 would be eligible for this deferment and their eligibility would begin only after they leave school and become employed in drug abuse treatment programs.

Based on information from the National Drug and Alcoholism Treatment Unit Survey, there were approximately 75,000 professionals employed in all aspects of drug treatment in 1989. Over the next five years, however, only a small number of newly employed drug treatment personnel would be new student loan borrowers eligible to participate in the deferment program. Therefore, over the five-year projection period, the cost of this provision would be negligible. If the authorization to make new loans were extended, this deferment provision would cost approximately $5 million annually by 1998, which is when CBO would expect it to be implemented fully.

AUTHORIZATIONS

All estimates of authorizations assume full approriations at the beginning of each fiscal year.

Except where noted, H.R. 4330 authorizes appropriations of specific amounts for fiscal year 1991 and of such sums as may be necessary for fiscal years 1992 through 1994. Such sums authorizations have been estimated by increasing the 1991 stated levels for projected inflation. Estimated outlays reflect spending patterns of current or similar programs.

School-Based Service Learning.—This bill would authorize grants to states for School-Based Service Learning projects. These funds would be used to finance partnership projects between school districts and local governments, community organizations, and institutions of higher education. The grants are authorized at $35 million in fiscal year 1991.

Youthbuild Projects.—H.R. 4330 authorizes the Director of ACTION to provide grants for Youthbuild projects. The bill would authorize eligible participants to be employed in the construction, rehabilitation or improvement of residential rental housing for the homeless or low-income individuals, senior citizen centers, youth recreation centers, head start or child care centers and community health care centers. The 1991 authorization level of $10 million for the program is stated in the bill.

Rural Youth Service Demonstration Project.—H.R. 4330 would authorize grants for Rural Youth Service projects at $2 million in fiscal year 1991.

Governor's Voluntary Service Program.—The bill would authorize the Director of ACTION to make grants for initiatives involving non school-based voluntary service projects. The grants may be used for volunteer service demonstration programs, state coordination of volunteer service programs, and training and staff development. The 1991 through 1994 authorization levels for this program are stated in the bill.

Model Service-Learning Program.—The bill would authorize grants to state education agencies, community-based organizations, and other public or private non-profit organizations to develop innovative community service programs. The 1991 authorization level of $10 million is stated in the bill.

Model Service Programs for Dropouts and Out-of-School Youth.—H.R. 4330 would authorize grants to state education agencies, community-based organizations, and other public or private non-profit organizations to develop model programs for dropouts and out-of-school youth. The 1991 authorization level of $10 million is stated in the bill.

Assistance for Head Start.—H.R. 4330 would amend section 502 of the Domestic Volunteer Service Act of 1973 to establish a program to increase the number of low-income individuals who provide services to children who participate in Head Start programs. The bill would authorize $5 million in 1991.

Presidential Volunteer Service Awards.—H.R. 4330 would authorize funds to allow the President to make Presidential awards for school-based service recognizing excellence in school-based service programs. Each year the President would make one award to an individual in each state in several categories. The 1991 through 1994 authorization levels for this program are stated in the bill.

Innovative Projects for Community Service.—Grants to institutions of higher education for Innovative Projects for Community Service are authorized in this bill. The 1991 authorization level of $10 million is stated in the bill.

Perkins Loan Cancellation Program.—H.R. 4330 would expand the current Perkins loan cancellation program. Borrowers would be eligible to have canceled a portion of their Perkins loan principal and all accrued interest, as stipulated in the bill, for each year they are employed full time in professional drug counseling, prevention, intervention, treatment, or education programs at public or non-profit organizations. The loan cancellation provision would apply only to loans to new borrowers beginning 30 days after the enactment of this bill. The authorization to make new loans to new borrowers expires at the end of 1991, however, and that authorization is not extended in this legislation. Therefore, only new student loan borrowers during 1991 would be eligible for this deferment and their eligibility would begin only after they leave school and become employed in drug abuse treatment programs. Consequently, over the next five years, CBO expects only a small number of people would participate in the cancellation program and that the cost of this provision would be negligible. If the authorization were extended, this consultation program would cost about $2 million annually by 1998, which is when CBO expects the provision would be implemented fully.

In addition, this bill makes several technical changes to the current Perkins loan cancellation provisions that would not affect federal costs.

Student Literacy Corps.—The bill would extend the expiring authorization for grants for the Student Literacy Corps. The bill would authorize $15 million in fiscal year 1991.

Student Tutorial Corps Initiative.—The bill would authorize grants for Student Tutorial Corps Initiatives at $10 million in fiscal year 1991. The grants would be to conduct programs that encourage college students to tutor educationally disadvantaged students in Chapter 1 schools.

Peace Corps Volunteer Education Demonstration Program.—H.R. 4330 would authorize the Director of the Peace Corps to carry out an education demonstration program. Students who had completed at least 2 years of college, who would finish college in 2 years and who agree to 3 years as a volunteer in the Peace Corps would be eligible to receive educational benefits. The educational benefits would not exceed the cost of tuition, room and board, and books and fees during the remaining 2 years of college.

The 1991 authorization level of $2 million for the program is stated in the bill.

American Conservation Corps.—The bill would authorize the Secretary of Agriculture and the Secretary of the Interior to provide grants to states or localities to create American Conservation Corps programs or to expand Youth Conservation Corps programs. The programs may carry out projects such as—1) conservation, rehabilitation, and improvement of rangelands and parks, 2) road and trail maintenance and improvement, and 3) wetlands protection and pollution control. Of the sums appropriated for this program, 50 percent shall be available as stated grants for work on state and county lands, 15 percent shall be available to the Secretary of Agriculture for expenditure by agencies within the Department of Agriculture, 5 percent shall be available for expenditure by other federal agencies, 25 percent shall be available to the Secretary of the Interior for expenditure by agencies within the Department of the Interior, and 5 percent shall be available to the Secretary of the Interior for expenditure by the governing bodies of participating Indian tribes.

The 1991 authorization level of $38 million for the program is stated in the bill.

Youth Service Corps.—The bill would authorize the Assistant Director of ACTION to provide grants to public and private nonprofit agencies for Youth Service Corps projects. The projects may include service in state, local and regional governmental agencies, nursing homes, day care centers, law enforcement agencies and private non-profit organizations whose principal purpose is social service.

The 1991 authorization level of $28 million for the program is stated in the bill.

Youth Enhancement Skills.—In addition, H.R. 4330 would authorize the Secretary of Agriculture, the Secretary of the Interior, or the Assistant Director of ACTION to provide in-service and post-service education and training assistance under each program. The bill would require any program or project to use not less than 10 percent of the funds available to provide in-service or post-service education and training. The assistance provided would include—obtaining a high school diploma (or its equivalent), improving literacy skills and enhancing employment skills.

The 1991 authorization level of $13 million is stated in the bill.

Training and Technical Assistance.—Also, the Secretary of the Interior and the Director of ACTION would be authorized to provide financial assistance to one or more national or regional clearinghouses. These clearinghouses would provide information, technical assistance and training to states and local entities eligible for funds under the American Conservation Corps program or the Youth Services Corps program.

The 1991 authorization level of $4 million is stated in the bill.

6. Estimated cost to State and local government: At least 80 percent of the funds for School-Based Service Learning would be for local school projects. Federal funds for each project would be limited to 90 percent of the total project cost the first year, decreasing to 50 percent of the cost in the fourth and succeeding years. The remaining funds would be for state planning and capacity building grants. States governments would have to contribute 10 percent of the total cost.

Both the Youthbuild and Assistance for Head Start programs allow for a maximum of 90 percent of a project to be federally funded. The remaining cost must be assumed by state and local governments, or private entities.

The bill provides that as a condition of the award of a grant of the American Conservation Corps program and the Youth Service Corps program the state or program agency must expend in cash or in kind an amount from public or private non-federal funds equal to the amount of the grant.

7. Estimate comparison: CBO prepared an estimate of S. 1430, the National and Community Service Act of 1989, as ordered reported by the Senate Labor and Human Resources Committee on July 20, 1989. The estimates in this bill are similar to those for S. 1430.

8. Previous CBO estimate: None.

9. Estimate prepared by: Diane Celuch, Deborah Kalcevic, and Cory Leach.

10. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

B. COMMITTEE ESTIMATE

The estimate of the Congressional Budget Office assumes that the $15 million authorized in H.R. 4330 for the Student Literacy Corps will be devoted to the National Service Program. In fact, the $15 million assumes the reauthorization of the existing Student Literacy Corps at $10 million and a $5 million expansion of the Corps for purposes related to National Service.

Therefore, the Committee assumes that funds authorized to be appropriated for purposes related to the National Service Act amount to $183 million in FY 1991.

VI. Inflationary Impact Statement

Pursuant to clause 2(l)(4) of Rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment of

H.R. 4330 will have no inflationary impact on prices and costs in the operation of the national economy. It is the judgment of the Committee that the inflationary impact of this legislation as a component of the Federal budget is negligible.

VII. OVERSIGHT FINDINGS OF THE COMMITTEE

With reference to clause 2(l)(3)(A) of Rule XI of the Rules of the House of Representatives, the Committee's oversight findings are set forth in the Background and Need for the Legislation section of this report. No additional oversight findings are applicable at this time.

VIII. OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS

In compliance with clause 2(l)(3)(D) of Rule XI of the Rules of the House of Representatives, no findings or recommendations by the Committee on Government Operations were submitted to the Committee with reference to the subject matter specifically addressed in H.R. 4330.

IX. LETTERS EXCHANGED WITH OTHER COMMITTEES

When H.R. 4330 was introduced, the Speaker jointly referred the legislation to three House Committees, in addition to this Committee.

Letters exchanged between Chairman Hawkins and the Chairmen of each of the other committees are printed herewith in the Committee report.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, July 25, 1990.

Hon. AUGUSTUS F. HAWKINS,
Chairman, Committee on Education and Labor,
Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: It is my understanding that the Committee on Education and Labor has ordered reported H.R. 4330, the National Service Act of 1990. Because Title I of this legislation contains a section establishing a Peace Corps training and educational demonstration program, the legislation was jointly referred to the Committee on Foreign Affairs.

Pursuant to the Committee's jurisdictional responsibilities, we have reviewed Part C of H.R. 4330. We concur in the substance of this provision and appreciate your cooperation in incorporating concerns raised by the Committee on Foreign Affairs.

Therefore, in order to expedite consideration of this legislation by the House, the Committee on Foreign Affairs will waive consideration of H.R. 4330, without prejudice to the jurisdiction of the Committee.

With best wishes, I am
Sincerely yours,

DANTE B. FASCELL, *Chairman.*

House of Representatives,
Committee on Education and Labor,
Washington, DC, August 10, 1990.

Hon. Dante B. Fascell,
Chairman, Committee on Foreign Affairs,
House of Representatives, Washington, DC.

Dear Mr. Chairman: This is in response to your letter of July 25, 1990, indicating that you will not object to discharging your Committee from further consideration of H.R. 4330 (National Service Act of 1990). The Committee on Education and Labor has received the unanimous consent of the House to file its report on H.R. 4330 by August 15, 1990.

We recognize that discharging your Committee from further consideration would not prejudice your Committee's jurisdictional claims in the future. The exchange of letters between the Committees will be printed in our Committee's report on this legislation.

Your cooperation in expediting consideration of H.R. 4330 is greatly appreciated.

Sincerely,

Augustus F. Hawkins, *Chairman.*

House of Representatives,
Committee on Banking, Finance, and Urban Affairs,
Washington, DC, July 26, 1990.

Hon. Thomas S. Foley,
The Speaker, the Capitol, Washington, DC.

Dear Mr. Speaker: The Education and Labor Committee ordered reported H.R. 4330, the National Service Act of 1990. Title I of this legislation authorizes appropriations for programs to provide education, training and employment of disadvantaged youth. Some of the activities eligible for assistance through Title I include the employment of youth in the construction or rehabilitation of housing for homeless individuals or low income families. I have reviewed the actions of the Committee and Education and Labor and find that the programs authorized by this legislation would complement federal housing policy.

The press of other legislative business prevents the Committee on Banking, Finance and Urban Affairs, to which H.R. 4330 was jointly referred, from considering this legislation in the near future. The Committee wishes to assist the Committee on Education and Labor to bring this matter to the floor as quickly as possible. Accordingly, I will not object to the Committee on Banking, Finance and Urban Affairs being discharged from the further consideration of H.R. 4330 without prejudice to its jurisdiction. The Committee reserves its right to participate in general debate on the measure and to be represented on any conference with the Senate on this or similar measures in the future.

I hope this will be of assistance in the successful consideration of H.R. 4330.

Sincerely,

Henry B. Gonzalez, *Chairman.*

House of Representatives,
Committee on Education and Labor,
Washington, DC, August 10, 1990.

Hon. Henry B. Gonzalez,
Chairman, Committee on Banking, Finance and Urban Affairs,
House of Representatives, Washington, DC.

Dear Mr. Chairman: This is in response to your letter of July 26, 1990, addressed to Speaker Foley, indicating that you will not object to discharging your Committee from further consideration of H.R. 4330 (National Service Act of 1990). The Committee on Education and Labor has received the unanimous consent of the House to file its report on H.R. 4330 by August 15, 1990.

We recognize that discharging your Committee from further consideration would not prejudice your Committee's jurisdictional claims in the future. The exchange of letters between the Committees will be printed in our Committee's report on this legislation.

Your cooperation in expediting consideration of H.R. 4330 is greatly appreciated.

Sincerely,

Augustus F. Hawkins, *Chairman.*

House of Representatives,
Committee on Interior and Insular Affairs,
Washington, DC, August 1, 1990.

Hon. Augustus F. Hawkins,
Chairman, Committee on Education and Labor,
House of Representatives, Washington, DC.

Dear Mr. Chairman: It is my understanding that your Committee anticipates filing its report on the National Service Act (H.R. 4330) soon.

As you know, this measure was jointly referred to the Committee on Interior and Insular Affairs. In the past, this Committee has considered provisions similar to portions of H.R. 4330 and made its recommendations to the House. We certainly support the objectives of this measure and we want to cooperate with your Committee in bringing it before the House.

If your Committee determines it is timely to bring this bill to the House for consideration, this Committee will defer to your Committee on its joint referral with the understanding that, in making this concession, we are not waiving our jurisdictional interests under the Rules of the House and we would expect to participate in any conference with the Senate on the areas within our jurisdiction.

With this stipulation, we have no objection to the expeditious consideration of H.R. 4330 by the House.

Sincerely,

Morris K. Udall, *Chairman.*

House of Representatives,
Committee on Education and Labor,
Washington, DC, August 10, 1990.

Hon. Morris K. Udall,
Chairman, Committee on Interior and Insular Affairs,
House of Representatives, Washington, DC.

Dear Mr. Chairman: This is in response to your letter of August 1, 1990, indicating that you will not object to discharging your Committee from further consideration of H.R. 4330 (National Service Act of 1990). The Committee on Education and Labor has received the unanimous consent of the House to file its report on H.R. 4330 by August 15, 1990.

We recognize that discharging your Committee from further consideration would not prejudice your Committee's jurisdictional claims in the future. The exchange of letters between the Committees will be printed in our Committee's report on this legislation.

Your cooperation in expediting consideration of H.R. 4330 is greatly appreciated.

Sincerely,

Augustus F. Hawkins, *Chairman.*

X. Section-by-Section Analysis

TITLE I

Part A—School-based Community Service

SUBPART 1—SCHOOL-BASED SERVICE LEARNING

Section 106

The Secretary of Education is authorized to make grants to State Education Agencies (SEA) to plan and build statewide capacity to implement school-based service learning programs throughout the state and for related purposes. Not less than 80 percent of the sums authorized for these purposes must be passed through to the localities.

Section 107

The authorization level for FY 1991 is $35 million and such sums as may be necessary for each of the three succeeding years. Half the funds are allocated on the basis of school-age population and half on the basis of Chapter 1. During the period in which a state is carrying out planning activities, it receives only 25 percent of its allocation with the remainder reallotted by the Secretary to states in the implementation phase.

Section 108

SEA's make grants to local partnerships which must be comprised of a Local Education Agency and at least one of the following: local government agency, community-based organization, institution of higher education, or private nonprofit. A partnership may include private for-profit business organizations.

Projects targeting low-income areas, promoting intergenerational contact, promoting drug and alcohol prevention, and mentoring are priorities.

States or local educational agencies shall make provisions for students in nonprofit elementary and secondary schools, and their teachers, to equitably participate in these programs.

Section 109

States wishing to participate apply to the Secretary of Education. If a state chooses not to participate, the Secretary may use the state's allotment to fund localities.

Section 110

Local partnerships apply to the SEA describing the proposal and, among other items, how the programs are to be evaluated and assessed.

Section 111

Prior to the implementation phase, the federal share may not exceed 90 percent. The state share must be in cash. The federal portion of the local share declines from 90 percent in the first year to 50 percent in the fourth year and thereafter. The local match may be in cash or in kind and may be waived.

Section 112

In the first year of implementation, the SEA reserves 5 percent of the funds for administration and 15 percent to continue capacity building and providing technical assistance. For the second and third years, the state keeps 5 percent for administration and 10 percent for capacity building. In year four, and thereafter, the state keeps 5 percent for administration and 5 percent for capacity building.

SUBPART 2—YOUTHBUILD

Sections 116–117

The Director of ACTION, in consultation with the Secretary of Labor, is authorized to make grants for up to 90 percent of the costs of Youthbuild projects.

Section 118

Youthbuild projects shall provide service opportunities for participants in the construction or rehabilitation of low-income housing, transitional housing for the homeless, or community facilities which provide services to low-income families.

Section 119

In addition to service opportunities, participants are to be provided with skills training, educational services, job placement and other services. The duration of the educational component shall be at least equal to the total number of hours a participant serves and is paid by a project.

Section 120

Funds may be used only for education and job training services; wages and benefits; and administrative expenses. No assistance is provided for the costs of construction or rehabilitation or the acquisition of property.

Section 121

Eligibility for full-time participation is limited to economically and educationally disadvantaged persons between the ages of 16 and 24. At least 75 percent of participants in each project must be high school dropouts with math or reading skills at or below the 8th grade level. The duration of full-time participation is limited to 18 months.

Section 122

Projects are subject to provisions of the Job Training Partnership Act pertaining to wages and benefits, labor standards, and nondiscrimination.

Section 123

Projects may carry out services and activities directly or through contracts with other entities.

Section 124

The Director, in consultation with the Secretary of Labor, shall prescribe standards for evaluating the performance of Youthbuild projects.

Section 125

Eligible entities apply to the Director describing the proposed project including, among other things, recruitment arrangements and coordination with other Federal, State, and local activities.

Section 126

In approving applications for assistance, the Director shall give priority to applicants demonstrating potential for success and need.

Sections 127–129

The Director may contract with a public or private nonprofit entity to assist in the management and coordination of Youthbuild projects. Five percent of available funds is reserved for technical assistance.

Section 130

The authorization level for FY 1991 is $10 million and such sums as may be necessary for each of the three succeeding years.

SUBPART 3—OTHER FEDERAL VOLUNTEER SERVICE PROGRAMS

Section 131

Authorizes a rural youth demonstration project at $2 million in FY 1991 and at such sums, thereafter.

Section 132

Authorizes $3 million for Governors' initiatives in nonschool-based voluntary service projects in the states. No state receives less than $30,000.

Section 133

The Secretary of Education is authorized to make grants or enter into contracts to develop innovative service programs that can serve as national models. This program is authorized at $5 million.

Section 134

The Secretary of Education is authorized to fund model service programs for dropouts and other out-of-school youth. This program is funded at $10 million.

Section 135

$5 million is available to increase the number of Foster Grandparents participating in Head Start programs.

SUBPART 4—ACTIVITIES OF THE SECRETARY OF EDUCATION

Sections 141-144

A $2 million authorization is intended to fund clearinghouses on national service and evaluations of programs.

SUBPART 5—VOLUNTEER SERVICE ACTIVITIES OF THE PRESIDENT

Section 151

One million is authorized for Presidential Volunteer Service Awards to recognize and promote service are authorized at $1 million.

The President is authorized to create an interagency Executive coordinating mechanism to monitor this Act and to design a comprehensive federal strategy.

SUBPART 6—GENERAL PROVISIONS

Sections 156-158

No grant may be made under this part for any activity related to sectarian instruction or religious worship. With exceptions, the General Education Provisions Act shall apply to all programs.

Part B—Higher Education Community Service

SUBPART 1—INNOVATIVE PROJECTS FOR COMMUNITY SERVICE

Sections 161-162

Authorizes the Secretary to make grants, or enter into contracts, with institutions of higher education to enable the institutions to create or expand service activities for attending students and to train teachers and other personnel. This program is authorized at $10 million in FY 1991 and at such sums thereafter for the next three years.

SUBPART 2—CAMPUS-BASED COMMUNITY WORK LEARNING JOBS

Section 166

If the appropriation for SSIG is above $75 million, half of the overage shall be targeted to community service activities.

Section 167

If the amount appropriated for College Work-Study exceeds $625 million, the additional amounts shall go into community service projects under the CWS program.

SUBPART 3—GUARANTEED STUDENT LOANS

Sections 171–173

Students who enter (1) full-time volunteer community service, (2) professional employment in drug counseling or prevention programs, or (3) full-time volunteer service providing health care to Native Americans, may have their GSL's deferred.

Section 174

The deferrals described above shall apply only to new loans made to new borrowers.

SUBPART 4—DIRECT LOANS TO STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

Section 176

Direct loans to students in full-time service (as defined in Sections 171–174) may be cancelled at a rate of 15 percent in the first or second year of service and 20 percent in the third or fourth years.

Section 177

The non-cancelled portion of direct loans to students in full-time service may be deferred.

Sections 178–179

The cancellations and deferrals described above shall apply only to new loans made to new borrowers.

SUBPART 5—PUBLICATION

Section 181

Information about loan deferment and loan cancellation shall be provided to students.

Section 182

Student borrowers are to receive exit counseling.

SUBPART 6—STUDENT LITERACY CORPS

Section 186

The Student Literary Corps is amended to provide a priority for tutoring the illiterate parents of educationally or economically disadvantaged elementary school students, with special emphasis on single parent households. The existing authorization for this program is increased by $5 million.

SUBPART 7—STUDENT TUTORIAL CORPS INITIATIVE

Section 188

The Secretary is authorized to create a demonstration program to encourage college students to tutor disadvantaged students in Chapter 1 schools. This program is authorized at $10 million in FY1991 and at such sums for the succeeding three years.

Part C—Peace Corps

Sections 191-192

The Director of the Peace Corps is authorized to carry out a training and educational benefits demonstration program.

Sections 193-194

Any college student on schedule to receive a bachelor's degree within two years who commits to serve to least three years in the Peace Corps, is eligible to participate. The Director shall establish uniform criteria for competitive selection, giving special consideration to students from traditionally underrepresented groups and to students whose expertise is especially needed.

Section 195

Appropriate training for each participant's Peace Corps assignment will be incorporated into his or her regular course of study.

Section 196

Each participant shall receive educational benefits in an amount not to exceed the costs of tuition, room and board, books and fees, that he or she incurs during the remaining two years of study. Repayment of benefits will be required of any participant who fails to complete his or her course study, or fails to meet the three year service commitment.

Section 197

The Director and the Secretary of Education will jointly conduct an evaluation of the demonstration program.

Section 199

The authorization level for FY1991 is $2 million and such sums as may be necessary for each of the three succeeding years.

TITLE II

Part A—American Conservation Corps

Section 201

The Secretaries of Agriculture and Interior are to administer the ACC on federal lands. In addition, the Secretary of Interior shall establish a program of grants to states for work on nonfederal lands and waters. The ACC may fund such projects as conservation, rehabilitation and improvement of wildlife habitat, rangelands, parks, and recreational areas, urban revitalization and historical and cultural preservation, environmentally desirable projects, and energy conservation projects, among others.

Section 202

Fifty percent of the funds shall be allocated to the Administering Secretary for expenditure by state program agencies; 25 percent shall be made available to the Secretary of Interior for expenditure by agencies within that Department; 15 percent shall be made available to the Secretary of Agriculture for agencies within that Department; 5 percent is available for expenditure by other federal agencies; and 5 percent for expenditure by Indian tribes.

Part B—Youth Service Corps

Section 206

The Director of ACTION shall appoint an Assistant Director to provide grants to Youth Service Corps.

Section 207

The Assistant Director determines service categories which must be of substantial social benefit in addressing unmet needs. Further, involvement of youth in corps must meet the criteria such activities require. Service may be in government agencies, nursing homes, day care centers, libraries and other facilities, law enforcement agencies, nonprofit organizations, and other activities. Noneligible categories are businesses, labor unions, partisan political organizations, religious activities, and domestic or personal service companies or organizations.

Part C—Youth Skills Enhancement

Sections 211-212

Each program shall maintain or enhance the educational skills of enrollees in the program. Not less than 10 percent of available funds shall be used for in-service training and educational materials and services. During nonworking hours, enrollees may upgrade literacy skills, obtain a high school diploma (or its equivalent). They shall also receive career counseling. Upon graduation, each must get counseling about additional study, job skill training, employment or job placement assistance where appropriate.

An additional 10 percent of available funds shall be used for post-service education and training assistance.

Part D—Administrative Provisions

Section 216

Eligible entities may apply for funds within 60 days after enactment. A state or program agency must match, in cash or in kind, an amount equal to the grant. These funds must be nonfederal. No more than 10 percent of funds may be used for the purchase of major capital equipment and not more than an additional 15 percent may be used for administrative expenses by any state or administrative agency. In cases where grants go to localities, states may retain only 3 percent of administrative expenses. Further, not more than 5 percent may be used for part-time corps and not more than 1 percent may be used for joint programs with organized senior citizens for community support services.

Sections 217–218

Applying entities shall submit plans describing the programs, including a plan for certification of the training skills acquired by enrollees. Preference shall be given to those programs which will provide long-term benefits to the public, will instill in the enrollees a sense of public service, and, among other things, will meet unmet social and environmental needs.

Section 220

Enrollment in either corps shall be limited to individuals between 16 and 25, except that summer programs may include youth between 15 and 21. A special effort shall be made to recruit economically disadvantaged youth. Except for summer programs, the term of enrollment may not exceed 24 months and no project shall last more than 6 months.

Enrollees may receive between 100 and 160 percent of minimum wage which covers their subsistence, education, and training benefits. During service, enrollees may receive between 50 and 100 percent of minimum wage as an allowance (in cash or in kind).

Section 224

A grievance procedure is established for participants, labor organizations, and other interested individuals.

Section 225

Employers shall not displace employees with enrollees in the programs.

Section 230

Administrators of the program must report annually to the President and the Congress, recipients of grants must report to the Secretary or administrator. Programs must be evaluated.

Section 232

In FY1991, $38 million is authorized for the ACC; $28 million for the Youth Corps; $13 million for in-service and post-service education; and $4 million for clearinghouses, training, technical assistance, and other purposes.

Part E—Youth Service Clearinghouses

Section 236

The Secretary of the Interior and the Director of the ACTION agency are authorized to fund one, or more, clearinghouse on youth corps or youth service.

TITLE III—PROPOSED MODEL GOOD SAMARITAN FOOD DONATION ACT

Sections 301–303

It is the sense of Congress that the United States should encourage the donation of apparently wholesome food or grocery products to nonprofit organizations for distribution to needy individuals by exempting donors from civil or criminal liability if the donation was made in good faith and if injury or death of a recipient did not result from gross negligence or intentional misconduct.

XI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 502 OF THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973

OLDER AMERICANS VOLUNTEER PROGRAMS

SEC. 502. (a) * * *

(b)*(1)* There is authorized to be appropriated not less than the amount appropriated in the previous fiscal year and not more than $64,900,000 for fiscal year 1989, $70,800,000 for fiscal year 1990, $89,900,000 for fiscal year 1991, $91,700,000 for fiscal year 1992, and $98,200,000 for fiscal year 1993, for the purpose of carrying out programs under part B of title II of this Act.

(2) There are authorized to be appropriated $5,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three subsequent fiscal years for the purpose of increasing the number of low-income individuals who provide services under part B of title II of this Act to children who participate in Head Start programs.

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HIGHER EDUCATION ACT OF 1965

* * * * * * *

TITLE I—POSTSECONDARY PROGRAMS FOR NONTRADITIONAL STUDENTS

* * * * * * *

PART D—STUDENT LITERACY CORPS

* * * * * * *

SEC. 144. APPLICATIONS

(a) * * *

(b) CONTENTS OF APPLICATION.—Each such application shall—

(1) * * *

(2) contain adequate assurances that—

(A) * * *

* * * * * * *

(D) the institution will locate such tutoring services in one or more public community agencies which serve educationally or economically disadvantaged individuals *and will give priority in providing tutoring services to illiterate parents of educationally or economically disadvantaged elementary school students, with special emphasis on single-parent households;* and

* * * * * * *

[SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated to carry out the provisions of this part $10,000,000 for fiscal year 1988, and $10,000,000 for each succeeding fiscal year thereafter ending prior to October 1, 1991, except that no funds are authorized to be appropriated for this part for more than 2 fiscal years.]

SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part $15,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.

* * * * * * *

PART E—STUDENT TUTORIAL CORPS

SEC. 151. PURPOSE.

It is the purpose of this part to authorize a demonstration program to encourage college students to tutor disadvantaged students receiving services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (hereinafter in this part referred to as "chapter 1").

SEC. 152. GRANTS AUTHORIZED.

The Secretary is authorized to make demonstration grants in accordance with the purposes and requirements of this part to institutions of higher education submitting applications that meet the requirements of section 153, in order to assist such institutions to establish and conduct student tutorial programs that—

(1) encourage students enrolled in that institution to provide tutoring to educationally disadvantaged students receiving services under chapter 1;

(2) are conducted at the request, and with the direction, of personnel providing services under chapter 1, to assist them in the education of such children; and

(3) that do not displace any of such personnel.

SEC. 153. APPLICATION.

To receive a grant under this part, an institution of higher education shall submit an application that—

(1)(A) specifies that such students will be compensated at rates consistent with the rates paid under part C of title IV of this Act; or

(B) specifies the rate at which the student will obtain academic credit for tutorial services; and

(2) demonstrate the active interest of the local educational agency (for the students receiving services under chapter 1) in establishing the program; and

(3) contain or be accompanied by such other information of assurances as the Secretary may require to carry out the purposes of this part.

SEC. 154. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part, $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.

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TITLE IV—STUDENT ASSISTANCE

Part A—Grants to Students in Attendance at Institutions of Higher Education

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Subpart 3—Grants to States for State Student Incentives

* * * * * * *

ALLOTMENT AMONG STATES

Sec. 415B. (a) Allotment Based on Number of Eligible Students in Attendance.—(1) * * *

* * * * * * *

(3)(A) In the event the appropriation for this subpart exceeds $75,000,000, the Secretary shall, notwithstanding the provisions of section 415C(b)(3)(A), allot 50 percent of such excess to the States for the purpose described in section 415C(b)(2)(B).

(B) The Secretary shall make the allotment required under subparagraph (A) on the basis of the number of students participating in programs assisted under section 415C(b)(2) of this subpart in each State as compared to the total number of students participating in such jobs in all States.

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Part B—Robert T. Stafford Student Loan Program

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ELIGIBILITY OF STUDENT BORROWERS AND TERMS OF FEDERALLY INSURED STUDENT LOANS

Sec. 427. (a) List of Requirements.—Except as provided in section 428C, a loan by an eligible lender shall be insurable by the Secretary under the provisions of this part only if—

(1) * * *

(2) evidenced by a note or other written agreement which—

(A) * * *

* * * * * * *

(C) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period—

(i) * * *

* * * * * * *

(x) not in excess of 6 months of parental leave; **[or]**

* * * * * * *

(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;

(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or eduction by a public or nonprofit private agency or organization; and

(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638);

* * * * * * *

FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS

SEC. 428. (a) * * *

(b) INSURANCE PROGRAM AGREEMENTS TO QUALIFY LOANS FOR INTEREST SUBSIDIES.—

(1) REQUIREMENTS OF INSURANCE PROGRAM.—Any State or any nonprofit private institution or organization may enter into an agreement with the Secretary for the purposes of entitling students who receive loans which are insured under a student loan insurance program of that State, institution, or organization to have made on their behalf the payments provided for in subsection (a) if the Secretary determines that the student loan insurance program—

(A) * * *

* * * * * * *

(M) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period—

(i) * * *

* * * * * * *

(x) not in excess of 6 months of parental leave; **[and]**

* * * * * * *

(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;

(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; and

(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638);

* * * * * * *

Part C—Work-Study Programs

PURPOSE; APPROPRIATIONS AUTHORIZED

Sec. 441. (a) * * *

(b) **Authorization of Appropriations.**—These are authorized to be appropriated to carry out this part [$656,000,000] *$675,000,000* for fiscal year 1987 and such sums as may be necessary for each of the 4 succeeding fiscal years. *In the event that appropriations for this part exceed $625,000,000, such additional amounts shall be used in accordance with section 447. The Secretary shall allocate the additional amounts to institutions which demonstrate a capacity to use these funds in accordance with section 447.*

* * * * * * *

Part E—Direct Loans to Students in Institutions of Higher Education

* * * * * * *

TERMS OF LOANS

Sec. 464. (a) * * *

* * * * * * *

(c) **Contents of Loan Agreement.**—(1) * * *

(2)(A) No repayment of principal of, or interest on, any loan from a student loan fund assisted under this part shall be requried during any period in which the borrower—

(i) * * *

* * * * * * *

(viii) is on parental leave, as defined in section 435(h); [or]

(ix) is a mother with preschool age children who is just entering or reentering the workforce and who is compensated at a rate not to exceed $1 in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938[.]*;*

(x) is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;

(xi) is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; or

(xii) is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638).

The period during which repayment may be deferred by reason of clause (ii), (iii), (iv), [(v), or (vii)] *(v), (vii), (x), (xi), or (xii)* shall not exceed 3 years. The period during which repayment may be deferred by reason of clause (vi) shall not exceed 2 years. The period during which replayment may be deferred by reason of clause (viii) shall not exceed 6 months. The period during which the repayment may be deferred by reason of clause (ix) shall not exceed 12 months.

* * * * * * *

CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE

SEC. 465. (a) CANCELLATION OF PERCENTAGE OF DEBT BASED ON YEARS OF QUALIFYING SERVICE.—(1) * * *

(2) Loans shall be canceled under paragraph (1) for service—

(A) as a full-time teacher for service in an academic year in a public or other nonprofit private elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to chapter 1 of the Education Consolidation and Improvement Act of 1981, and which for the purpose of this paragraph and for that year has been determined by the Secretary (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children counted under section 111(c) of the Elementary and Secondary Education Act of 1965 exceeds 30 percent of the total enrollment of that school and such determination shall not be made with respect to more than 50 percent of the total number of schools in the State receiving assistance under such chapter 1;

(B) as a full-time staff member in a preschool program carried on under the Head Start Act which is operated for a period which is comparable to a full school year in the locality if the salary of such staff member is not more than the salary of a comparable employee of the local educational agency;

(C) as a full-time teacher of handicapped children in a public or other nonprofit elementary or secondary school system;

(D) as a member of the Armed Forces of the United States, for services that qualifies for special pay under section 310 of title 37, United States Code, as an area of hostilities; [or]

(E) as a volunteer under the Peace Corps Act or a volunteer under the Domestic Volunteer Service Act of 1973[.]*;*

(F) as a full-time volunteer in service comparable to service referred to in subparagraph (E) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;

(G) as a full-time professional employee engaged in drug counseling, prevention, intervention, treatment, or education and employed by a public or nonprofit private agency or organization; or

(H) as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (P.L. 93-638).

For the purpose of this paragraph, the term "handicapped children" has the meaning set forth in section 602(1) of the Education of the Handicapped Act. *An individual shall not be eligible as a volunteer under subparagraph (F) if such individual receives compensation for services at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938.*

(3)(A) The percent of a loan which shall be canceled under paragraph (1) of this subsection is—

(i) * * *

* * * * * * *

(iii) in the case of service described in subparagraph (D) of paragraph (2), not to exceed a total of 50 percent of such loan at the rate of 12½ percent for each year of qualifying service; [or]

(iv) in the case of service described in subparagraph (E) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent for the third or fourth year of such service[.]*;*

(v) in the case of service described in subparagraph (F) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service;

(vi) in the case of service described in subparagraph (F) of paragraph (2), at the rate of 15 percent for the first or second year of such service and 20 percent for the third or fourth year of such service; or

(vii) in the case of service described in subparagraph (H) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service.

* * * * * * *

PART G—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

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INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS

Sec. 485. (a) Information Dissemination Activities.—(1) Each eligible institution participating in any program under this title shall carry out information dissemination activities for prospective and enrolled students (including those attending or planning to attend less than full time) regarding the institution and all financial assistance under this title. The information required by this section shall be produced and be made readily available, through appropriate publications and mailings, to all current students, and to any prospective student upon request. The information required by this section shall accurately describe—

(A) * * *

* * * * * * *

(J) the names of associations, agencies, or governmental bodies which accredit, approve, or license the institution and its programs, and the procedures under which any current or prospective student may obtain or review upon request a copy of the documents describing the institution's accreditation, approval, or licensing; **[and]**

(K) the standards which the student must maintain in order to be considered to be making satisfactory progress, pursuant to section 484(a)(2)**[.]***; and*

(L) the terms and conditions under which students receiving loans under part B or E of this title, or both, may—

(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization, and

(ii) obtain partial cancellation of the student loan for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization.

* * * * * * *

(b) Exit Counseling for Borrowers.—Each eligible institution shall, through financial aid officers or otherwise, make available counseling to borrowers (individually or in groups) of loans which are made, insured, or guaranteed under part B of this title (other than loans made pursuant to section 428B) of this title or made under part E of this title prior to the completion of the course of study for which the borrower enrolled at the institution or at the time of departure from such institution. The counseling required by this subsection shall include—

(1) general information with respect to the average indebtedness of students who have loans under part B or part E; **[and]**

(2) the average anticipated monthly repayments, a review of the repayment options available, together with such debt and management strategies as the institution determines are designed to facilitate the repayment of such indebtedness**[.]***; and*

(3) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973 or for comparable full-time service as a volunteer for a tax-exempt organization.

* * * * * * *

(d) DEPARTMENTAL PUBLICATION OF DESCRIPTIONS OF ASSISTANCE PROGRAMS.—The Secretary shall make available to eligible institutions, eligible lenders, and secondary schools descriptions of Federal student assistance programs including the rights and responsibilities of student and institutional participants, in order to (1) assist students in gaining information through institutional sources, and (2) assist institutions in carrying out the provisions of this section, so that individual and institutional participants will be fully aware of their rights and responsibilities under such programs. In particular, such information shall include information to enable students and prospective students to assess the debt burden and monthly and total repayment obligations that will be incurred as a result of receiving loans of varying amounts under this title. In addition, such information shall include information to enable borrowers to assess the practical consequences of loan consolidation, including differences in deferment eligibility, interest rates, monthly payments, and finance charges, and samples of loan consolidation profiles to illustrate such consequences. *The Secretary shall provide information on the specific terms and conditions under which students may obtain partial cancellation or defer repayment of loans for service under the Peace Corps Act and Domestic Volunteer Service Act of 1973 or for eligible comparable full-time service as a volunteer with a tax-exempt organization, and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization.* Such information shall be provided by eligible institutions and eligible lenders at any time that information regarding loan availability is provided to any student.

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MINORITY VIEWS

H.R. 4330, the National Service Act of 1990, would provide federal funding for a variety of service programs in elementary and secondary schools, colleges and universities, and state and local conservation and service corps. Although we certainly are sympathetic to the concept of national and community service and are aware of the valuable and often essential work performed by volunteers, this is not an appropriate time to establish new programs given the crushing fiscal problems facing the Federal government which will make it difficult to fully fund even the most necessary existing programs. Even without an expansion of the Federal role, we are confident that the many worthwhile service programs that are flourishing in communities across the nation will continue to be supported.

We appreciate the efforts of the proponents of H.R. 4330 to address our concerns regarding the participation of religious organizations, the awarding of academic credit for volunteer service, and the displacement of existing state and local conservation corps. However, we remain concerned about the inclusion in the bill of a provision allowing the cancellation of direct student loans for service as a full-time volunteer in a tax-exempt organization. There is not extensive evidence regarding the effectiveness of loan cancellation provisions in attracting individuals to a particular occupation nor are there reliable estimates of the cost of such provisions. Further, loan cancellation and deferral provisions have been a feature in many bills of late and the cumulative fiscal impact of these provisions is troubling.

Although the proponents of H.R. 4330 have clarified that the provisions for the American Conservation Corps and the Youth Service Corps contained in the bill are not intended to replace, or even to overlap, existing state and local corps, we are still concerned that these programs will duplicate the job training services available through the Department of Labor's Job Corps or under the Job Training Partnership Act. Every Congress in this decade has considered the creation of a federal conservation corps and only once has such a bill even been passed by both bodies and presented to the President. Opposition to these proposals has centered on concerns that corps duplicate the programs of other Federal agencies, they rely on artificial public employment as an approach to youth unemployment, they are not an effective means of managing Federal lands, and on a belief that the cost of maintaining a corps is unmatched by the benefits it provides. For reasons similar to these, this Administration has indicated that it does not support the creation of the Youth Service Corps in Title II of this bill.

The Administration has also indicated that it is opposed to H.R. 4330 because it is "incompatible with the President's concept of voluntary service." See June 26, 1990 letter from Secretary of Education and Director of Action to the Honorable William F. Goodling (below). We have similar concerns regarding whether this type of Federal intervention will support or frustrate the spirit of volunteerism that is the essential motivation for community service. Although many of the programs contained in the bill are operated by existing agencies, the Federal role does create an additional level of bureaucracy that may impede volunteer efforts.

APPENDIX

U.S. DEPARTMENT OF EDUCATION,
THE SECRETARY,
June 26, 1990.

Hon. WILLIAM F. GOODLING,
Committee on Education and Labor,
House of Representatives,
Washington, DC.

DEAR MR. GOODLING: The purpose of this letter is to present the Administration's views on the parts of H.R. 4330, the "National Service Act of 1990," within the Committee's jurisdiction, Title I, "School-Based and Higher Education Community Service" and the "Youth Service Corps" authorized in Title II. H.R. 4330 seeks to create or expand service opportunities for students, young people, and others by establishing numerous new Federal grant programs. It also would provide for deferment and cancellation of certain student loans and would authorize Presidential Awards for School-Based Service and the establishment of an interagency task force.

The President strongly supports the concept of community service. Through his "Points of Light Initiative," the President has challenged all individuals and institutions to make service central to their lives and work.

The President encourages and endorses grass-roots and community-based volunteer efforts—people and institutions working together to solve problems in their own communities. It is only through the commitment of individuals and institutions to each other and to their communities that systemic change will take place and critical social problems will be solved.

The Administration strongly opposes Title I and the Youth Service Corps in Title II of H.R. 4330, and recommends that no further action be taken on the bill. H.R. 4330 is incompatible with the President's concept of voluntary service.

These provisions of H.R. 4330 would:

Attempt to direct community service efforts from the Federal level rather than from the community.

Authorize unwarranted new Federal programs—Title I would authorize $127 million (not including the costs of the loan deferment and cancellation provisions or the costs of administering the new programs) for FY 1991 for new Federal programs and expansion of existing programs (e.g., a new Tutorial Corps with identical purposes as the existing Education Department's Student Literacy Corps); and $28 million would be authorized for FY 1991 for the Youth Service Corps.

Emphasize short-term volunteer participation and financial rewards, concepts inconsistent with the notion of a sustained commitment to volunteerism.

Provide unnecessary financial incentives for service, including the unjustified (1) expansion of deferments of Federal student loans to full-time professional staff in drug counseling, prevention, and treatment programs; and (2) cancellation of certain loans to full-time professional staff in drug programs and full-time volunteers. These are costly provisions that provide additional compensation for persons already earning a salary. These provisions extend the concept of "volunteer" far beyond any reasonable or necessary bounds.

Establish new intermediaries between volunteers and service providers.

Require cumbersome and unnecessary bureaucratic infrastructure and regulations.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to presentation of this letter to the Congress.

Sincerely,

LAURO F. CAVAZOS,
Secretary of Education.
JANE A. KENNY,
Director of ACTION.

For the foregoing reasons, we do not support H.R. 4330, the National Service Act of 1990. The budget crisis facing our nation make it an inappropriate time to create new Federal programs and we are uncertain that the community service agenda is well served by this bill.

E. THOMAS COLEMAN.
STEVE GUNDERSON.
PAUL B. HENRY.
MARGE ROUKEMA.
STEVE BARTLETT.
FRED GRANDY.
HARRIS W. FAWELL.
TOMMY F. ROBINSON.
CASS BALLENGER.

ADDITIONAL VIEWS

I believe that H.R. 4330, the National Service Act of 1990 will reduce private voluntary acts of charity in the United States.

When some are paid by the federal government to do what all have previously done without compensation, those who are paid will gradually supplant the true volunteers. The result will be an increase in the "I won't do it unless I'm paid" sentiment and a decline in the spirit of volunteerism in America. I also fear the bill represents a further intrusion of the generally stifling bureaucratic spirit into the areas now served by American volunteers. It will result in the diversion of effort and funds now devoted to meeting human needs in the community instead of meeting bureaucratic standards and to obtaining ever increasing levels of federal financial support.

In addition, the bill would increase the potential for waste of taxpayers' funds in the federal student loan programs. I do not believe we should expand the practice of allowing non-federal agencies to enable borrowers to qualify for loan forgiveness. This invites favoritism and abuse if the cost of forgiveness is entirely borne by the federal taxpayers, while the eligibility for forgiveness is determined by managers of thousands of volunteer organizations, and the beneficiaries of forgiveness may be their sons and daughters or their neighbors' sons and daughters. Finally, the bill does not determine how loan forgiveness shall be treated for tax purposes (i.e. shall the beneficiary of forgiveness have to report as income and pay taxes on the loan amount forgiven). I believe that determination should have been made by the Committee on Ways and Means, on sequential referral of the bill rather than left to the executive branch or other separate legislative precedent.

THOMAS E. PETRI.

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